

By: Wray

H.B. No. 4086

Substitute the following for H.B. No. 4086:

By: Shine

C.S.H.B. No. 4086

A BILL TO BE ENTITLED

1 AN ACT

2 relating to expunction of a notice of lis pendens.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

4 SECTION 1. Section 12.0071(f), Property Code, is amended to  
5 read as follows:

6 (f) After a certified copy of an order expunging a notice of  
7 lis pendens has been recorded:

8 (1) [~~1~~] the notice of lis pendens and any information  
9 derived or that could be derived from the notice:

10 (A) [~~1~~] does not:

11 (i) [~~A~~] constitute constructive or  
12 actual notice of any matter contained in the notice or of any matter  
13 relating to the action in connection with which the notice was filed  
14 [~~proceeding~~];

15 (ii) [~~B~~] create any duty of inquiry in a  
16 person with respect to the property described in the notice; or

17 (iii) [~~C~~] affect the validity of a  
18 conveyance to a purchaser for value or of a mortgage to a lender for  
19 value; and

20 (B) [~~2~~] is not enforceable against a purchaser  
21 or lender described by Paragraph (A)(iii) [~~Subdivision (1)(C)~~],  
22 regardless of whether the purchaser or lender knew of the lis  
23 pendens action; and

24 (2) an interest in the real property may be sold or

1 encumbered free of all matters asserted or disclosed in the notice  
2 and all claims or other matters asserted or disclosed in the action  
3 in connection with which the notice was filed.

4         SECTION 2. The change in law made by this Act applies only  
5 to a certified copy of an order expunging a notice of lis pendens  
6 recorded on or after the effective date of this Act. A certified  
7 copy of an order expunging a notice of lis pendens recorded before  
8 the effective date of this Act is governed by the law in effect at  
9 that time, and that law is continued in effect for that purpose.

10         SECTION 3. This Act takes effect September 1, 2017.