

By: Neave

H.B. No. 4107

A BILL TO BE ENTITLED

AN ACT

relating to abatement or dismissal of a proceeding for an expedited order allowing foreclosure of a lien on real property.

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

SECTION 1. Section 154.028(e), Civil Practice and Remedies Code, is amended to read as follows:

(e) At a hearing under Subsection (a), the court must consider any objections to the referral of the case to mediation. In addition, the court may abate or dismiss the application if the court determines that at least 30 days prior to the hearing:

(1) the borrower has submitted a completed loss mitigation application to the lender or servicer; and

(2) the lender or servicer has not provided the borrower, in writing, a notice stating:

(A) the borrower has been denied for any loss mitigation options, or

(B) the lender or servicer's determination of which loss mitigation options, if any, will be offered to the borrower on behalf of the owner or assignee of the mortgage loan.

(e-1) For the purpose of subsection (e), "loss mitigation application" means a completed application in which a lender or servicer has received all information the lender or servicer requested from a borrower to evaluate the borrower for the loss mitigation options available to the borrower.

1 SECTION 2. The change in law made by this Act applies only
2 to an application for an expedited order allowing foreclosure of a
3 lien that is filed on or after the effective date of this Act. An
4 application filed before the effective date of this Act is governed
5 by the law applicable to the application immediately before the
6 effective date of this Act, and that law is continued in effect for
7 that purpose.

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