

By: Nichols

S.B. No. 1397

A BILL TO BE ENTITLED

AN ACT

1
2 relating to notice by a property owner to a mortgage servicer that
3 the owner intends to enter into a contract with a property tax
4 lender.

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

6 SECTION 1. Section 32.06, Tax Code, is amended by amending
7 Subsection (a-1) and adding Subsection (a-10) to read as follows:

8 (a-1) A property owner may authorize another person to pay
9 the taxes imposed by a taxing unit on the owner's real property by
10 executing and filing with the collector for the taxing unit:

11 (1) a sworn document stating:

12 (A) the authorization for payment of the taxes;

13 (B) the name and street address of the transferee
14 authorized to pay the taxes of the property owner;

15 (C) a description of the property by street
16 address, if applicable, and legal description; ~~and~~

17 (D) that notice has been given to the property
18 owner that if the property owner is disabled, the property owner may
19 be eligible for a tax deferral under Section 33.06; and

20 (E) that the notice required by Subsection (a-10)
21 has been mailed by certified mail to any applicable mortgage
22 servicer; and

23 (2) the information required by Section 351.054,
24 Finance Code.

1 (a-10) Not later than the 10th day before the date a
2 property owner executes a contract with a transferee, the property
3 owner shall send by certified mail to any applicable mortgage
4 servicer a notice that the property owner intends to enter into a
5 contract with the transferee authorizing the transferee to pay the
6 delinquent taxes on the property.

7 SECTION 2. The change in law made by this Act applies only
8 to a contract between a property owner and a transferee authorizing
9 the transferee to pay the delinquent taxes on the property that is
10 entered into on or after the effective date of this Act. A contract
11 entered into before the effective date of this Act is governed by
12 the law in effect on the date the contract is entered into, and the
13 former law is continued in effect for that purpose.

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