

BILL ANALYSIS

Senate Research Center

S.B. 309
By: Wentworth
Jurisprudence
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As Filed

DIGEST

Currently, Texas law allows a creditor to obtain a judgment against a debtor for unpaid or delinquent payments. After obtaining a judgment, creditors follow the common practice of abstracting and filing the judgment to establish priority and to inform the public. In certain circumstances, debtors who have refused to pay, or become delinquent on loan payments, have sued their creditors for obtaining, abstracting, and filing judgments. This bill will prohibit recovery of damages in a suit for slander of title to real property alleging that a lien filed against the property creates a cloud on the title.

PURPOSE

As proposed, S.B. 309 prohibits recovery of damages in certain suits for slander of title to real property.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Title 4, Property Code, by adding Chapter 30, as follows:

CHAPTER 30. SLANDER OF TITLE

Sec. 30.001. UNENFORCEABLE LIEN. Prohibits a person from recovering damages in a suit for slander of title to real property alleging that a lien filed against the property creates a cloud on the title to the property if the lien is not enforceable against the property.

SECTION 2. Effective date: September 1, 1997.
Makes application of this Act prospective.

SECTION 3. Emergency clause.