BILL ANALYSIS

Senate Research Center

S.B. 1589 By: Carona Intergovernmental Relations 4/6/2005 As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Under current law there is no requirement or authority for a county clerk who believes a document is fraudulent to seek assistance. As proposed, S.B. 1589 prevents the fraudulent filing and recording of liens. This bill requires a county clerk, who in good faith believes that an instrument or document is fraudulent, to notify the county attorney, before filing, for a determination of whether the document is fraudulent.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 51.901, Government Code, by adding Subsection (d), as follows:

(d) Requires the county clerk, if the county clerk believes in good faith that a document or instrument that purports to create a lien and that is offered or submitted for filing or for filing and recording is fraudulent, to request the assistance of the county attorney to determine whether the document is fraudulent before filing or recording the document or instrument.

SECTION 2. Effective date: September 1, 2005.