

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 1589
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Intergovernmental Relations
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Committee Report (Substituted)

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. C.S.S.B. 1589 prevents the fraudulent filing and recording of liens. This bill requires a county clerk and the secretary of state, who in good faith believes that an instrument or document is fraudulent, to notify the county or district attorney, or the attorney general, as applicable, 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 a county clerk, if the clerk believes in good faith that a document filed with the county clerk to create a lien is fraudulent, to take certain actions relating to examining the lien.

SECTION 2. Amends Subchapter B, Chapter 405, Government Code, by adding Section 405.021, as follows:

Sec. 405.021. FILING OR RECORDING OF FRAUDULENT DOCUMENT. Requires the secretary of state, if the secretary of state believes in good faith that a document filed with the secretary of state to create a lien is fraudulent, to take certain actions relating to examining the lien.

SECTION 3. Effective date: September 1, 2005.