

BILL ANALYSIS

Senate Research Center
80R7345 EJI-F

H.B. 732
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Jurisprudence
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

With the arrival of electronic means of communication and information transfer, business models and methods for doing business have evolved to take advantage of the speed, efficiencies, and cost benefits of electronic technologies. The real estate industry and consumers benefited from the passage of the Uniform Electronic Transaction Act; however some confusion still remains regarding the acceptance of paper copies of an electronic document. Some county clerks have questioned whether a document, specifically a real estate document, that has been faxed, emailed, or copied is an original document containing original signatures and notary seals.

H.B. 732 prohibits a paper document concerning real or personal property from being recorded or serving as notice of the paper document unless certain actions are taken.

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 Chapter 12, Property Code, by adding Section 12.0011, as follows:

Sec. 12.0011. INSTRUMENTS CONCERNING PROPERTY: ORIGINAL SIGNATURE REQUIRED FOR CERTAIN INSTRUMENTS. (a) Defines "paper document."

(b) Prohibits a paper document concerning real or personal property from being recorded or serving as notice of the paper document unless the paper document contains an original signature or signatures that are acknowledged, sworn to with a proper jurat or according to law; or is attached as an exhibit to a paper affidavit that has an original signature or signatures, that are acknowledged, sworn to with a proper jurat, or proved according to law.

(c) Prohibits an original signature from being required for an electronic instrument or other document that complies with the requirements of certain other laws.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2007.