

BILL ANALYSIS

Senate Research Center

H.B. 655
By: Solomons (Seliger)
Jurisprudence
5/8/2009
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The 80th Legislature, Regular Session, 2007, enacted H.B. 2738 to address problems that arise when a courthouse or county clerk's office closes due to a natural disaster or inclement weather. In an effort to address fraud concerns at auction biddings on foreclosures, the purchase price in a sale held by a trustee was required to be payable immediately. As an unintended consequence, this language allows trustees to refuse any potential parties from bidding on the property without the exact amount of the awarded bid in the form of a cashier's check or certified check.

H.B. 655 amends current law relating to payment to a trustee or substitute trustee after public sale of foreclosed property.

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 51.0075(f), Property Code, to provide that the purchase price in a sale held by a trustee or substitute trustee under this section is due and payable without delay, rather than immediately, on acceptance of the bid or within such reasonable time as may be agreed upon by the purchaser and the trustee or substitute trustee if the purchaser makes such request for additional time to deliver the purchase price, rather than on acceptance of the bid by the trustee or substitute trustee.

SECTION 2. Effective date: September 1, 2009.