

## **BILL ANALYSIS**

Senate Research Center  
83R8588 TJS-F

S.B. 1202  
By: West  
Jurisprudence  
3/18/2013  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The Supreme Court of Texas recently issued rules related to expedited foreclosure actions. Prior to these rules, judges were able to send homeowners to mediation prior to the foreclosure to work out a potential remedy to retain their home. Concerns have been raised with removing this ability, especially in those cases where the homeowner is seeking a loan re-modification. S.B. 1202 seeks to clarify that, at the judge's discretion, between the presentation of an application for foreclosure and the signing of the order the parties can be sent to mediation to resolve modification and foreclosure issues.

As proposed, S.B. 1202 amends current law relating to an order to conduct mediation following an application for expedited judicial foreclosure proceedings.

### **RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the Supreme Court of Texas is restricted in SECTION 1 (Section 51.016, Property Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 51, Property Code, by adding Section 51.016, as follows:

Sec. 51.016. MEDIATION FOLLOWING APPLICATION FOR EXPEDITED FORECLOSURE. (a) Authorizes a court, following receipt of an application for an expedited foreclosure proceeding under Rule 736.1, Texas Rules of Civil Procedure, to, in the court's discretion, conduct hearings or order the parties to mediate the dispute. Authorizes the court, if the parties are unable to agree on the appointment of a mediator, to appoint a mediator.

(b) Prohibits the Supreme Court of Texas, notwithstanding Section 22.004 (Rules of Civil Procedure), Government Code, from amending or adopting rules in conflict with this section.

SECTION 2. Effective date: September 1, 2013.