

LEGISLATIVE REPORT

by Mindy Carr, TLTA Director of Government Affairs

SESSION STATISTICS

Of more than 5500 bills that were filed approximately 25% of them were passed into law.

19 bills were vetoed by the Governor.

Number of days in the regular session – 140.

Of the 1388 bills that actually passed, 875 of them originated in the House of Representatives and 513 came out of the Senate.*

*While these numbers may seem low, they reflect passage of 4 more bills than were passed in 2003.

SOME FACTS ABOUT THE LEGISLATURE

There are 31 members in the Senate and 150 members in the House
State senators are elected for four-year terms. (Staggered terms)

Representatives are elected for two year terms.

Legislators are paid \$600 per month plus \$90 per diem during regular and special sessions.

The Texas Legislature considered a variety of issues when it convened on January 11, 2005. Revising the school finance system and granting property-tax relief were top priorities but both failed passage when the legislature adjourned May 30, 2005. The Governor has since called a special session to address these specific issues.

Even though school finance and property tax relief legislation did not directly impact the title insurance industry, the Texas Land Title Association lobby team monitored movement of both bills very closely. These bills contained provisions changing the current business tax structure in hopes of granting property tax relief and funding for public education.

House Bill 3, which became known as the "Property Tax Relief" bill, included an amendment that was adopted on the House floor that would have repealed the current franchise tax exemption for title companies. Title companies pay a premium tax and have been exempt from payment of the franchise tax. This amendment caused great concern for the insurance industry, in essence creating a "double-taxation" provision requiring all insurance companies to pay both the franchise tax and premium tax. The Senate took a very different approach in drafting their property tax relief proposal and decided not to include the House amendment. However, the bill died when the House and Senate could not agree on a compromise.

TLTA's Legislative Committee worked on several proposals that were filed on behalf of the industry. Although we only passed three of the measures, several of the bills died due to lack of time. We will attempt to try again when the legislature meets in 2007. There were several TLTA members who volunteered a great deal of time and expertise to these issues and we greatly appreciate their efforts.

The TLTA Lobby Team spent a majority of their time playing de-

fense against bills that would have adversely affected the title insurance industry. As a result of their efforts, legislation was defeated that would have hindered the industry's access to county clerk records. There were 33 bills related to privacy, social security numbers and identity theft that TLTA closely monitored throughout the session. To our advantage, title insurance companies fall under the definition of "financial institutions" under the Gramm-Leach-Bliley Act (GLB). We were successful in securing exemptions

2005 TLTA Legislative Committee interim issues:

Continued access to public records

Redacting of social security numbers

Potential revenue sources for affordable housing

Changes to the Residential Mortgage Satisfaction Act

Issues related to the independent executor or Independent administrator power of sale.

cont from p. 1

for businesses already required under the GLB to have written policies and procedures in place to ensure the security and confidentiality of customer information; protect against any anticipated threats or hazards to the security or integrity of such information and to protect against unauthorized access to or use of such information that could result in substantial harm or inconvenience to any customer to have written policies and procedures in place to ensure the security and confidentiality of customer information; protect against any anticipated threats or hazards to the security or integrity of such information and to protect against unauthorized access to or use of such information that could result in substantial harm or inconvenience to any customer.

The issue of privacy when it relates to social security numbers and other personal information is a very serious issue for legislators. We will continue to see bills filed to protect the consumer's personal information. There was also a serious threat to shut down the title insurance industry's access to public records. The TLTA Lobby Team, along with the County Clerk's Association, worked incredibly hard to defeat this proposal. Unfortunately the bill sponsor has vowed to address this issue again next session.

Other real estate industry issues we worked to defeat include:

- Redacting of public records
- Increased responsibility and liability of the title company at closings
- Allowing mortgage lenders to prepare legal documents
- Changes to the Uniform Residential Mortgage Satisfaction Act
- County clerk fees used for other county purposes such as roads and buildings

There were several bills that passed affecting the day to day operation of the industry. Some of those include:

- Changes to the confidentiality notice on instruments recorded with the county clerk.
- Declares manufactured homes as real property and that they will remain real property
- New section in the insurance code relating to P-53; promotional and educational activities
- Authorizing line-of-credit advances under a reverse mortgage
- Clarifies the authority of a recorder to receive and record documents and information in electronic form.

Overall, the title insurance industry experienced a successful legislative session and escaped relatively "unbruised." TLTA is proud to have worked with other real estate industry groups on numerous issues where we had a shared interest.

The following is a summary of bills that we tracked during the legislation session, grouped by subject matter. A indicates the bill passed and will become law on the effective date noted. A indicates the bill was not approved.

To read the full text for any of the bills listed, go to the Capitol website, www.capitol.state.tx.us and search by the bill number.

The following Legislators deserve special recognition for their assistance to the TLTA lobby team and support of TLTA issues during the legislative session:

Rep. Carter Casteel (R-New Braunfels)
Rep. Ken Paxton (R-McKinney)
Sen. Chris Harris (R-Arlington)
Rep. Jose Menendez (D-San Antonio)
Rep. Robert Puente (D-San Antonio)
Sen. Frank Madla (D-San Antonio)
Sen. Jeff Wentworth (R-San Antonio)
Rep. Byron Cook (R-Corsicana)

Rep. Craig Eiland (D-Texas City)
Rep. Gary Elkins (R-Houston)
Rep. Will Hartnett (R-Dallas)
Rep. Bryan Hughes (R-Marshall)
Rep. Jim Keffer (R-Eastland)
Rep. Jim Pitts (R-Waxahachie)
Rep. Burt Solomons (R-Carrollton)

TLTA Proposed Legislation

Relates to the confidentiality of and access to certain personal information in instruments recorded with a county clerk. SB 461 by Madla

This bill clarifies the content and the type of instrument to which the notice required must be attached. It also clarifies that a county clerk cannot reject an instrument solely because it does not comply with the provision and it prohibits an increased fee for failure of a page to meet certain size and type and heading requirements. **Effective date: May 13, 2005**

Relates to the requirements for recording property owners' association management certificates in the county records. HB 1072 by Casteel

This bill stated that a property owners' association that fails to comply with the statute would not be able to force the payment of a fine or assessment by the homeowner. The bill was opposed by the Texas Communities Association Institute due to concerns that small HOA's would be unfairly penalized since they are primarily a volunteer organization and are not completely familiar with the law. TLTA will attempt to work with this group during the interim and file again in 2007.

Relates to the sale of ad valorem tax liens and contracts for foreclosure of ad valorem tax liens. HB 2491 by Puente

The original bill, HB 2220, was filed by Rep. Ken Paxton. This bill will insure that 1) tax certifiers or tax reporting services will be able to more easily obtain information from taxing authorities on which tax liens were transferred to Investors; 2) Insure that no preexisting lien holder's security interest in a taxpayer's property will be extinguished without notice if an investor or its successor forecloses the tax lien; 3) clarify that property owners are able to redeem their property from an Investor's tax lien, both pre-foreclosure and post foreclosure. **Effective Date: Sept. 1, 2005**

Relates to the attachment of a judgment lien to homestead property. SB 1768 by Harris

This bill would have clarified that a judgment lien does not attach and does not constitute a lien against a debtor's exempt real property and that it would only become a lien against the homestead when the property no longer constitutes the debtor's homestead.

Relates to the duration of a lien for the enforcement of child support arrearages. HB 999 by Hughes

This bill would have allowed for a child support lien to expire after 20 years.

Relates to the sale of property of a decedent's estate. HB 3186 by Casteel

This bill would have made changes to the Probate Code to clarify that an independent executor or independent administrator has the power of sale.

Relating to manufactured housing. HB 2438 by Haggerty

The section of the bill proposed by TLTA clarifies that once an Statement of Ownership and Location (SOL) has been issued electing for the manufactured home to be considered real property, the home continues to be real property. **Effective date: June 18, 2005**

Privacy Issues

Relating to providing that the social security number of a living person is excepted from required disclosure under the public information law and may be redacted. SB 1485 by Williams

This bill reconciles two statutes with regard to social security numbers by exempting them from the Public Information Act. It provides that the social security number of a living person is excepted from the requirements of Section 552.021, Government Code. It also allows a governmental body to redact the social security number of a living person from any information the governmental body discloses without the necessity of requesting a decision from the attorney general. **Effective date: June 17, 2005.**

Relating to the availability under the public information law of certain documents filed with the county clerk or a district clerk. HB 971 by Talton

This bill would have allowed law enforcement personnel to require county clerks to redact their personal information if information is on the Internet. It also would have allowed for anyone to obtain redacted information from the clerk if they provided their name, address and other relevant information.

Relating to the adoption of privacy policy by a person who required the disclosure of an individual's social security number. HB 1130 by Cook

This bill makes a privacy policy necessary when a person requires disclosure of an individual's social security number to obtain goods or services or enters into a business transaction. Includes exemption for Title companies under the GLB Act. **Effective date: Sept. 1, 2005.**

Relating to the disposal of certain business records that contain personal identifying information. HB 698 by McCall

This bill requires that when a business disposes of records containing consumer personal information, it must destroy or modify the record through shredding or other means that renders the information unreadable. Also provides for a civil penalty. Includes exemption for title companies under the GLB Act. **Effective date: Sept. 1, 2005.**

Relating to providing that an individual's social security number is generally considered to be a confidential under the public information law. HB 1952 by Goodman

This bill would have prohibited the disclosure of a person's social security number to a member of the public by a governmental entity under certain circumstances without that person's written consent. It also would have allowed an individual's social security number to be released to a private or public vendor who is under contract with a governmental entity and needs the number in order to perform requirements of a service contract with the governmental body.

Relating to the management, security, and protection of personal information and governmental records. HB 3278 by Isett

This bill would have set rules governing the use of social security numbers, driver's license numbers, and other sensitive information. The bill did not prohibit legitimate authorities or authorized persons from obtaining information and did not violate provisions of freedom of information acts. However, the bill put in place rules to govern the dissemination of sensitive information such as bulk downloading, online records, and uses of social security numbers.

Relating to military discharge records that are recorded with or are otherwise in the possession of a governmental body. HB 1123 by Uresti

The bill would have excepted from disclosure all Department of Defense Forms DD-214 or other military discharge records filed with a county clerk **regardless of when those records were filed.** Currently, DD-214's can be excepted on a go-forward basis.

Relating to certain identifying information contained in the case file maintained by a county clerk for a decedent's estate. HB 1309 by Ritter

The bill would have amended the Texas Probate Code to prohibit a county clerk from posting on the Internet certain information contained in a decedent's case file.

Relating to prohibiting a person from requiring an individual to provide a social security number to obtain goods or services or enter into a business transaction. HB 1806 by Campbell

This bill would have prohibited the disclosure of an individual's social security number to obtain goods or services or enter into a business transaction unless authorized under state or federal law; did not apply to a governmental entity.

Relating to the creation of an address confidentiality program to assist victims of family violence or stalking in maintaining confidential addresses. HB 494 by Guillen, HB 1110 by Gonzalez and SB 309 by Lucio

These bills would have created an address confidentiality program that would have allowed the attorney general's office to establish a confidential post office box address for any victim of family violence, sexual assault, or stalking, once the victim has met the program's eligibility requirements.

Relating to transferring the duties of the Building and Procurement Commission under the public information law to the attorney general. SB 452 by Wentworth

This bill transfers all of the duties of the Commission pursuant to Chapter 552, Government Code, to the Office of the Attorney General, in order to streamline the duties regarding public information into one agency. **Effective date: Sept. 1, 2005.**

Relating to limiting the use of customer's social security numbers by persons. SB 674 by West

This bill would have restricted the use of a person's social security number by non-financial entities. The bill did not limit the use of the social security number for governmental purposes.

Relating to using the internet to obtain identifying information or another person for a fraudulent purpose. HB 1098 by McCall

This bill creates an offense and penalty that clearly prohibit acts of phishing. **Effective date: Sept. 1, 2005.**

Industry/Real Estate Issues

Relating to the disclosure report of sales price to local appraisal district. SB 282 by Madla, SB 243 by Wentworth, HB 399 by Villarreal

These bills would have required a transferee of real property to file a sales price disclosure report with the chief appraiser of the appraisal

district in which the property is located within ten business days after the closing date. The sales price disclosure report content is prescribed within the legislation and includes the price of the property and other relevant information.

☑ **Relating to prohibiting rebates regarding certain insurance coverage. HB 2565 by Eiland** This bill includes an amendment relating to Procedural Bill 53 allowing for promotional and educational activities. **Effective date: Sept. 1, 2005.**

☒ **Relating to the authority of certain depository institutions and mortgage brokers to receive compensation for preparing legal documents in connection with residential mortgages. SB 987 by Carona** This bill would have authorized mortgage lenders to prepare loan documents for certain types of loans using standard forms and authorize depository institutions to prepare certain loan documents. It would have limited the authorization to loans documented on standard forms accepted by certain lenders and limits the authorization to first lien mortgages and second lien mortgages for home improvement purposes, and excludes home equity loans. It also authorized lenders to prepare assignments, releases, or modifications of liens.

☒ **Relating to the use of title insurance to insure certain interests in personal property. SB 687 by Carona** This bill would have amended the definition of title insurance to permit the issuance of title policies for personal property as specified in Article 9, Uniform Commercial Code (UCC) in addition to real property.

☒ **Relating to the Mortgage Satisfaction Model Act. HB 491 by Orr** This bill would have repealed 12.017 of the Property Code – Title Insurance Company Affidavit Release of Lien and adopt a national uniform act on the release of liens.

☑ **Relating to certain investments by title insurance companies. HB 532 by Howard** This bill reinstates title insurance companies that pay a premium tax in Texas are eligible for the CAPCO program. **Effective date: Sept. 1, 2005.**

☑ **Relating to premium reserve amounts required for title insurers. HB 885 by Seaman** This bill solves the problem of determining on a regular basis whether a Texas domiciled title insurance company is under or over-reserved, and allows the commissioner of insurance to more easily and quickly adjust the SPR or Texas domiciled and regulated title insurance underwriters. It gives the commissioner of insurance the flexibility

to adjust the SPR from an initial amount set at 18.5 cents per thousand of net retained liability by issuing an order rather than having to go to the legislature each time a change is required. **Effective date: Sept. 1, 2005.**

☒ **Relating to the duration of judgment liens in favor of the state. HB 1125 by Uresti/SB 464 by Ellis** This bill would have allowed state judgment liens to last forever.

☑ **Relating to maintenance of records by a notary public. SB 220 by Carona** This bill allows a notary public to maintain the required records electronically in a computer or other storage devise. **Effective date: Sept. 1, 2005.**

☑ **Relating to the rights of a purchaser under an executory contracts for conveyance of real property. HB 1823 by Dutton** This bill gives contract- for-deed or lease-to-own home buyers and homeowners the same rights and benefits that homeowners have in any other type of home buying arrangement. It allows people in these contracts to obtain a title to the property upon request. The seller would still receive the same financial agreement and would have the same rights as any other company that finances a home sale. It also strengthens protections passed in 2001. **Effective date: Sept. 1, 2005.**

☑ **Relating to the nonsubstantive revision of statutes relating to the Department of Insurance. HB 2017 by Swinford** This bill makes nonsubstantive revisions of statutes relating to the Texas Department of Insurance, the business of insurance, and certain related businesses, including conforming amendments, repeals, and penalties. **Effective date: April 1, 2007.**

☑ **Expressing opposition to the SMART Act and federal legislation that would limit the ability of state governments to regulate the business of insurance. HCR 59 by Eiland** This resolution communicates to Congress that the 79th Legislature of the State of Texas expresses its strong opposition to the SMART Act and any similar federal legislation that would impair, erode, and limit the ability of state governments to regulate the business of insurance. **Signed by the Governor.**

☑ **Relating to receivership of insurers. HB 2157 by Smithee** This bill adopts the draft NAIC Insurer Receivership Model Act. The model contains procedures that are designed to protect the interest of policyholders, claimants, and creditors by improving the efficiency of insurance receiver-

ships. The adoption of this model will clarify the law, minimize uncertainty and litigation, and promote cooperation in multi-state receiverships. The bill also gives the commissioner of insurance additional authority to act sooner to take control of a failed insurer. **Effective date: Sept. 1, 2005.**

☑ **Relating to surveys accepted for filing in the official records of the General Land Office. HB 3340 by Hughes** This bill makes it clear that under state law the surveyor is not required to re-perform a survey already accepted and placed in the official records of the GLO. **Effective date: Sept. 1, 2005.**

☑ **Relating to clearing land titles by relinquishing and releasing any state claim to sovereign ownership or title to interest in certain land. SJR 40 by Eltife** The vacancy statute in the Natural Resources Code has been on the books since 1900. It was designed to deal with strips of land that fell in between tracts when the state originally patented the land. Since this "vacant" land was never patented, it still technically belongs to the state. The statute sets out a process to determine whether land is vacant. One who believes he has located vacant land files an application with the General Land Office (GLO). The GLO determines whether a vacancy exists, and if the GLO rules that the land is vacant, the applicant receives a 1/16th royalty in the minerals under the vacant land. Due to a gross misapplication of the vacancy statute, the property rights of thousands of Texans are unclear. The purpose of SJR 40 is to clear titles for land and mineral owners in Upshur and Smith counties. **Election date: Nov. 8, 2005.**

☒ **Relating to the authority of the attorney general to bring suit on behalf of individuals injured by unlawful practices in restraint of trade. SB 542 by West** This bill would have permitted indirect purchasers to recover for violations of state antitrust law.

☑ **Relating to inheritance rights of adopted adults. HB 204 by Goodman** This bill prohibits an adopted adult from inheriting from or through the adult's biological parent through intestate succession. Biological parents will still be unable to inherit from or through an adopted adult through intestate succession. This bill only pertains to cases in which the biological parent does not have a will. If the biological parent has a will, then the adopted adult can inherit from the biological parent according to the provisions of the will. **Effective date: Sept. 1, 2005.**

☑ **Relating to notice required for a mechanic's, contractor's, or materialman's lien in certain circumstances. HB 629 by Solomons** Requires a property owner on a construction project to provide written notice to certain subcontractors when the contract between the owner and the original contractor is terminated. If the owner fails to provide the required notice, a subcontractor's claim on retainage will not be invalid solely because the lien affidavit was not filed within 30 days following the termination or abandonment of the original contract. The notice would only have to be given to those subcontractors who have requested such notice in writing from the owner or who have furnished statutory lien claim notices to the owner. **Effective date: Sept. 1, 2005.**

☑ **Relating to trusts. HB 1190 by Hartnett** The Real Estate, Probate, and Trust Law Section of the State Bar of Texas conducted a multiyear study of the Uniform Trust Code promulgated by the National Conference of Commissioners on Uniform State Laws. They concluded that Texas should not adopt the Uniform Trust Code in full, but that various provisions of the Uniform Trust Code should be included in the Texas Trust Code to improve that code. This bill institutes the recommended changes to the Texas Trust Code. **Effective date: Jan. 1, 2006**

County Clerk Issues

☑ **Relating to the Uniform Electronic Recording Model Act. SB 335 by Carona** This bill clarifies and builds upon existing state laws which relate to electronic recordation of electronic transactions. Specifically, it complements the framework provided in UETA and further clarifies the authority of a recorder to receive and record documents and information in electronic form. Likewise, a fundamental principle of the bill is to maintain any state law requirements, such as describing or requiring that a document be an original, on paper, or in writing, and to ensure that a document in electronic form satisfies those requirements. **Effective date: Sept. 1, 2005.**

☑ **Relating to the specifications and fees for legal papers filed with a county clerk. HB 1140 by Flynn** This bill simply clarifies the requirements of Section 191.007 of the Texas Local Government Code. A new provision to that statute states that the requirements of the statute are uniform specifications for legal documents and no county clerk may prescribe any additional requirement for the filing or recording of legal documents or charge any extra filing fee for legal documents that meet this specification. This bill also guarantees the continued

uniformity of specifications of legal documents and is in the best interest of our legal system and the best interest of consumers affected by the drafting and recordation of legal documents. **Effective date: June 18, 2005.**

Relating to a county's authority to impose a records archive fee. SB 526 by Hinojosa This bill repeals the September 1, 2008 expiration date of this fee. **Effective date: June 17, 2005.**

Relating to fees for filing certain documents with a county clerk. HB 950 by Rep. Carter Casteel The bill increases the personal property records filing to \$5.00 for the first page and \$4.00 for each additional page containing visible marks. It also increases the real property records filing to \$5.00 for the first page and \$4.00 for each additional page containing visible marks and \$4.00 for each 8 1/2" x 14" attachment or rider. **Effective date: Sept. 1, 2005.**

Relating to the charges for certain public information maintained by a governmental body. HB 2264 by Baxter Under current law, requestors of public information may break their requests down into subparts to avoid exceeding the 50-page threshold. This threshold is relevant due to the charges that a governmental entity may impose on a requestor after the first 50 pages. This bill would have applied the current threshold to subsequent requests if the requests are made within 30 days of each other.

Relating to fraudulent documents offered to the county clerk for filing. SB 1589 by Carona Under current law there is no requirement or authority for a county clerk who believes a document is fraudulent to seek assistance. 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 believe 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. **Effective date: Sept. 1, 2005.**

Relating to the preservation of Texas historical resources and historical government records. HB 2697 by Phillips This bill would have created the Texas Historical Government Records Preservation Fund to aid counties with the preservation of records.

Relating to the effect of electronic or original signature in certain documents. HB 2867 by Gattis This bill would have altered legal provisions concerning signatures that have been transmitted or received electronically and original signatures in certain documents.

Taxes

Relating to property tax relief and protection of taxpayers, taxes and fees, and other matters relating to the financing of public schools. HB 3 by Keffer This was the property tax relief bill.

Relating to state taxes. HB 28 by Eissler This bill would have created a business activity tax.

Relating to taxes, fees and programs administered by the Comptroller. HB 2234 by Keffer The bill would amend sections of the Health and Safety Code, Insurance Code, Local Government Code, Tax Code, and the Utilities Code to clarify administrative and technical issues relating to various taxes and fees collected by the Comptroller

Banking/Foreclosure Issues

Relating to authorizing an extension of credit secured by a residence homestead in which a minor has an ownership interest. HB 637 by Goolsby The Texas Constitution states that a home equity loan be "secured by voluntary lien created under a written agreement with the consent of each owner and each owner's spouse." However, Texas law does not authorize a natural or adoptive parent to receive a home equity loan on behalf of a minor or ward. For example, if a deceased parent leaves the surviving spouse and minor child a home that requires major repairs, the surviving spouse is unable to obtain a home equity loan in order to make the necessary repairs. This bill authorizes the extension of credit. **Effective date: Sept. 1, 2005.**

Relating to certain foreclosure notice requirements. SB 1587 by Carona This bill requires a transferee of a tax lien to notify the holders of all recorded liens on the property prior to foreclosure and requires any contract, with provisions relating to foreclosure of tax liens, to notify the holders of all recorded liens on the property prior to foreclosure. **Effective date: Sept. 1, 2005**

Relating to interest rates, usury, consumer protections, commercial and consumer lending, licensing or mortgage brokers, saving bank charters, and the regulation of lenders. HB 955 by Solomons

Relating to the form of the loan contract and related documents for a consumer loan. HB 1547 by Pickett Under current law, consumer loan contracts, retail installment contracts, and home equity loan contracts regulated by the Office of Consumer Credit Commissioner must be written in plain language designed to be easily understood by the average

consumer and printed in an easily readable font and type size, regardless of whether the contract is written in English or Spanish. The purpose of this bill is to broaden the scope of the current law to provide the borrower with a copy of the loan contract written in the language under which the terms were negotiated, if a language other than English is used. This bill makes certain requirements to the form of a loan contract for a consumer loan. **Effective date: Sept. 1, 2005.**

☒ *Relating to a study of subprime mortgage lending practices in certain counties. HB 1582 by Chavez*

This bill would have required the Texas Department of Housing and Community Affairs to conduct a study to examine mortgage foreclosure rates in certain counties.

☑ *Authorizing a line-of-credit advances under a reverse mortgage. SJR 7 by Carona*

This bill amends the Texas Constitution to allow senior homeowners to draw advances under a reverse mortgage at unscheduled intervals if and when needed, and only in amounts needed, during the loan term. **Election date: Nov. 8, 2005**

☑ *Relating to the appointment of substitute trustees in certain foreclosures. HB 1234 by Paxton*

This bill alters the method by which mortgagees or mortgage servicers appoint trustees. Due to the technological changes in the mortgage banking industry, the bill permits electronic appointment or any other legitimate type of communication to designate the substitute trustee. It also allows for the appointment of substitute trustees in certain foreclosures. **Effective date: Sept. 1, 2005.**

☑ *Relating to the notice required for a sale of real property under a contract lien. HB 1235 by Paxton*

The purpose of this bill is to eliminate the perceived requirement that only a mortgage servicer can serve on the borrower the mandatory notice of the date, time, and place of a foreclosure sale. In reality, a notice foreclosure sale can also be served by mortgagee or an attorney. This bill makes changes to the notice requirements for sale of real property under a contract lien. **Effective date: Sept. 1, 2005**

Affordable Housing

☒ *Relating to a study of affordable housing needs and potential revenue sources for affordable housing. SB 723 by Lucio*

This bill would have allowed for a study to look at revenue streams such as real estate fees and recordation fees for affordable housing programs.

☑ *Relating to allowing the creation of home-stead preservation districts to increase homeownership and provide affordable housing. HB 525 by Rodriguez* This bill creates a new kind of zone for the reclamation of neighborhoods adjacent to central business districts which may be permissively established by specific municipalities. It provides three development/economic tools which may be utilized by the municipality in an effort to coordinate future development in concert with the needs of the existing population. **Effective date: Sept. 1, 2005**

SPECIAL THANKS

The TLTA lobby team would like to thank the Legislative Committee for all their input and hard work. Committee members spent hours reviewing bills and recommending positions of either support or opposition.

TLTA Legislative Committee Members

Chair Bruce Boyer, New Braunfels
John Cook, Breckenridge
Patrick Cordero, Jr, Midland
James Farrar, Eastland
Jim Gosdin, Houston
Jerel Hill, Houston
Charles Jacobus, Houston
Spencer Kendrick, Dallas
John King, McAllen
John Martin, El Paso
Robert Massad, Dallas
Bert Massey, Brownwood
Eric McNeese, San Antonio,
Marc Miller, Dallas
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TLTA Lobby Team:

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