



**AARON DAY**  
TLTA Director of Government  
Affairs and Counsel

## Historic 82<sup>nd</sup> Legislative Session for Texas and TLTA

“This is not the session to pass bills,” was the refrain in most conversations leading up to the beginning of the 82nd Session of the Texas Legislature. The historic budget shortfall, controversial immigration bills and redistricting all portended a difficult session filled with turmoil and surprises.

This apprehension was reflected by the lowest number of bill filings since 2005, drastically reversing a several year trend. Ultimately, this Legislature passed the lowest number of bills in 16 years.

Although redistricting didn’t cause the battle anticipated, the budget, voter ID, sanctuary cities, as well as several Sunset bills - including the Texas Department of Insurance, which brought to a head the Texas Windstorm Insurance Association (TWIA) debate - made for a turbulent process and ultimately resulted in Governor Rick Perry calling a Special Session, which began just after the Regular Session ended on May 30, 2011.

Adding to the complexity and uncertainty was the historic November election which sent more than three dozen new members to the Legislature and resulted in a supermajority for Republicans in the House.

## 15 of 16 Key TLTA Issues Resolved

Despite this environment, and sometimes because of it, TLTA successfully worked to pass eight bills. The passed legislation represents a successful resolution for 15 of the 16 key issues TLTA sought to address this session.

## Defending the Industry

TLTA also fought off the usual suspects, including threats to the access of public records due to increased fees and privacy restrictions, forced acceptance of powers of attorney and mandatory sales price disclosure.

The greatest threat, however, came from the bills filed by the House Chairman of Insurance John Smithee, which would have completely disassembled the title insurance rate system in Texas. Our rate structure traditionally faces this kind of scrutiny each decade; however, given

the economic environment, the stakes were especially high. Four bills that would dramatically alter our current system were filed and each took a different approach, but HB 2838, providing for downward deviation of rates, became the focus of the debate. TLTA member volunteers did an outstanding job testifying before the committee explaining our long-standing rate system and why it works for Texas. As a result, this legislation never left the committee.

We owe a great deal of gratitude to the House Insurance Committee and Chairman Smithee for working so openly and thoughtfully with our membership. TLTA is also grateful to the many legislators who worked closely with us this session. A combination of talented members and strong relationships resulted in a successful legislative session - both in problems averted and problems solved for the Texas Land Title Industry.

### Session Recap

	2011	2009
House Bills Filed	3865	4836
House Bills Passed	797	867
Senate Bills Filed	1931	2583
Senate Bills Passed	582	1190
House Joint Resolutions Filed	154	140
House Joint Resolutions Passed	2	9
Senate Joint Resolutions Filed	53	50
Senate Joint Resolutions Passed	8	0

### Session Quick Facts

The Texas Legislature is scheduled to meet every odd-numbered year for 140 days.
There are 31 members in the Senate and 150 members in the House of Representatives.
Senators are elected to a four-year term (staggered).
Representatives are elected to a two-year term.
Legislators earn roughly \$600 a month or \$7,200 annually.
The 83rd Legislative Session is scheduled to convene on January 8, 2013.

# THANKS TO EVERYONE WHO MADE THE SESSION A SUCCESS!

## Key Legislators

Rep. Rodney Anderson  
Rep. Drew Darby  
Rep. Joe Deshotel  
Rep. Veronica Gonzales  
Rep. Will Hartnett  
Rep. Larry Taylor  
Rep. Marc Veasey

Senator John Carona  
Senator Wendy Davis  
Senator Chris Harris  
Senator Glenn Hegar  
Senator Eddie Lucio  
Senator Carlos Uresti  
Senator Kirk Watson  
Senator Royce West

## TLTA Lobby Team

Aaron Day—Director of Government Affairs & Counsel  
Allen Place, Jr.—Legislative Counsel  
Tom Rutledge—Regulatory Counsel  
Brandon Aghamalian—Focused Advocacy  
Snapper Carr—Focused Advocacy  
Curt Seidlits—Focused Advocacy

## Special Thanks to Other Industry Lobbyists

### Stewart Title Guaranty's Lobby Team:

Randy Lee, Senior Vice President  
Stewart Guaranty Company  
Jim Gosdin, Mary Herrick & John Rothermel

### Other Industry Lobbyists:

Mark Borskey, Nora del Bosque, & Ron Lewis

## Day at the Capitol

We would like to extend a huge thank you to everyone who helped make our Day at the Capitol on February 16, 2011 a success. [VIEW DAC ATTENDEES](#) or [VIEW PHOTOS](#)

## Thank You, Volunteers

We appreciate all of our volunteers who took time out of their busy schedule to testify before the House and Senate Committees, walked the Capitol corridors and help educate lawmakers about our industry and the importance of title insurance in Texas.

Richard Black  
Glen Cochran  
James Dudley  
Alex Harris  
Kim Hesley  
Merritt Hopson  
Guy Robert Jackson  
Roland Love  
Bert Massey

Larry Molinare  
Dawn Moore  
Phyllis Mulder  
Markeda Orwosky  
Brian Pitman  
Randy Pittman  
Jack Rattikin III  
Tim Redding



## Legislative Committee Thank Yous

The TLTA lobby team would also like to thank the Legislative Committee for all their input and hard work. Committee members spent countless hours crafting legislation, reviewing bills to recommend positions of support or opposition, contacting their legislators and several traveled to Austin to testify before House and Senate committees:

Mr. G. Roland Love,  
Chair  
Mr. Timothy J. Redding,  
Vice Chair  
Mr. Dan Bartlett  
Mr. Michael J. Lucksinger  
Ms. Susan Valdez  
Mr. Guy Robert Jackson  
Mr. John R. Cook  
Mr. Patrick F. Doyle  
Mr. Michael C. Savas  
Mr. Merritt L. Hopson  
Ms. Celia C. Flowers  
Mr. George Stablein  
Mr. Byron Jay Lewis  
Mr. Chase Evans  
Mr. Stephen R. Streiff  
Mr. Dewayne Naumann  
Mr. James A. Johnson  
Ms. M. Suzanne Frossard  
Mr. Charles J. Jacobus  
Mr. Frederick D. Schraub  
Mr. Hilry Stroup  
Mr. Thomas Adkisson  
Ms. Marian Cones  
Ms. Kelly Lynn Caskey, CESA  
Ms. Janice L. Oldham  
Mr. R. Bruce Boyer

Mr. Christopher M. Faison  
Ms. Whitney Eledge Withers  
Mr. Stephen Vallone  
Ms. Denise Dumon  
Mr. James L. Gosdin  
Ms. Kayla Price  
Mr. Bert V. Massey, II  
Mr. Chris Cangelosi  
Mr. John F. Rothermel, III  
Mrs. Celia R. Goode-Haddock  
Ms. Kara Bliss McGregor  
Mr. Adam Wilk  
Mr. Aaron Day  
Mr. Bill Burding  
Mr. Alex Harris  
Mr. James P. Sibley  
Ms. Sheri B. Asbell  
Mr. David M. Parnell  
Mr. Randy M. Lee  
Mr. Terry W. Stevens  
Mrs. Dawn Enoch Moore  
Mr. Paul McNutt, Jr.  
Mr. John C. DeLoach, CTIA  
Mr. John C. Martin  
Mr. Robert M. Galperin  
Mr. G. Tommy Bastian  
Mr. David McAllister, CTIA

## Additional Thanks to Related Industry Associations

Independent Bankers Association of Texas  
Texas Association of Realtors  
Texas Mortgage Bankers Association  
Texas Association of Builders  
Texas Apartment Association  
Texas Manufactured Housing Association

## Legislative Resources


Texas Legislative Council—[WWW.TLC.STATE.TX.US](http://WWW.TLC.STATE.TX.US)  
Texas Legislature Online—[WWW.CAPITOL.STATE.TX.US](http://WWW.CAPITOL.STATE.TX.US)  
Texas Ethics Commission—[WWW.TEC.STATE.TX.US](http://WWW.TEC.STATE.TX.US)  
Office of Secretary of State—[WWW.SOS.STATE.TX.US](http://WWW.SOS.STATE.TX.US)


## TLTA's Affirmative Agenda

TLTA passed legislation this session that will lower costs and prevent claims, while we also successfully defended our system of rate regulation. We are particularly pleased the Governor signed our legislation to eliminate the 2% minerals credit. The new law will take effect January 1, 2012, and will also make it clear that a title company can take a general exception for minerals and title companies may not be forced to insure a mineral estate.

Creating more practical minimum capitalization requirements for agents, improving and streamlining the rate setting process and preserving P-53 and educational activities are just a few of our other successes this session. More details about our affirmative agenda are below, followed by other bills of interest to the title industry that we worked on and tracked this session.

### Report Key

 A CHECK indicates the bill has passed and will become law on the noted effective date.

 An "X" indicates the bill did not pass. To view the full bill text click on the bill number.

#### HB 2408 by Darby (Sponsor Harris) TDI Omnibus Bill

Provides solutions for several important issues in the regulation of title insurance including improving and streamlining the rate setting process, adding due process protections to the enforcement and licensing process, and eliminating the minerals credit while maintaining the ability to take a general exception. The bill additionally clarifies existing law relating to educational and promotional activities of title agents and underwriters.

**EFFECTIVE DATE: SEPTEMBER 1, 2011\* - TLTA SUPPORTED**

*\*Except the minerals sections, which will go into effect January 1, 2012. These sections state that title companies may not be forced to insure the mineral estate, they may take a general exception and there shall be no credit. The sections also state that there shall be no charge for a T-19.2 or T-19.3 endorsement to a loan policy and there is no requirement that the endorsements be offered if a general exception is taken.*

**RULEMAKING:** Several elements of this bill will require rules. TLTA will be involved in the rule and rate hearings on these matters, which are expected to take place in the fall.

#### HB 2604 by Taylor (Sponsor Harris) TDI Agent Minimum Capitalization Deposit Plan

Establishes a more practical way for title agents to reach minimum capitalization requirements by depositing funds on a per policy basis in a bank of their choosing. The law says that 1% of the 85% agent-retained premium may be set aside, on a per policy basis, in a bank account of the agent's choosing, in order to satisfy mandatory minimum capitalization requirements. It also removes the previously unworkable requirement that a CPA certify unencumbered assets.

**EFFECTIVE DATE: IMMEDIATELY - TLTA SUPPORTED**

**RULEMAKING:** Several elements of this bill will require rules. Rules and forms must be promulgated by TDI no later than January 1, 2012. TLTA will be involved in the rule and rate hearing on these matters, which is expected to take place in the fall.

#### SB 1320 by Lucio (Sponsor Gonzales) Acknowledgements of Foreign Persons

Notaries will now be allowed to accept a current foreign passport issued to serve as proof of identity.

**EFFECTIVE DATE: SEPTEMBER 1, 2011 - TLTA SUPPORTED**

**RULEMAKING:** None

#### HB 558 by Deshotel (Sponsor Carona) Payoff Statements

Banks will now be responsible for mistakes as to the final payoff amount in their payoff statements, not title companies.

**EFFECTIVE DATE: SEPTEMBER 1, 2011 - TLTA SUPPORTED**

**RULEMAKING:** The Texas Department of Savings and Mortgage Lending (TDSML) will promulgate a payoff request form for use by all parties. TLTA is currently working with stakeholders and the TDSML on this form.

#### HB 1187 by Watson (Sponsor Hartnett) Indexing Lis Pendens

Notice of a lis pendens will now take place when indexed so title agents can be aware of such claims at closing.

**EFFECTIVE DATE: SEPTEMBER 1, 2011 - TLTA SUPPORTED**

**RULEMAKING:** None

#### SB 1496 by Uresti (Sponsor Anderson) Correction Deeds

The status and use of correction deeds are no longer in jeopardy and are now established as a valid mechanism. The bill sets forth specific procedures and qualifications for correcting transfer documents.

**EFFECTIVE DATE: SEPTEMBER 1, 2011 - TLTA SUPPORTED**

**RULEMAKING:** None

 **HB 1821 by Anderson (Sponsor West)**  
**HOA Resale Certificates**

Buyers can now purchase HOA resale certificates directly from the HOA. A buyer and seller may still negotiate who pays for the resale certificate, but in the absence of an agreement, the new law requires the buyer to pay the fee.

*EFFECTIVE DATE: JANUARY 1, 2012 - TLTA SUPPORTED*

*RULEMAKING: The Texas Real Estate Commission (TREC) may adopt changes to the TREC form contract to reflect the new ability of the buyer to purchase resale certificates.*

 **HB 8 by Darby, Geren, Anderson, Pitts, Menendez (Sponsor Harris)**  
**Private Transfer Fees**

Private transfer fees on real property are now prohibited and notice must be regularly maintained by existing beneficiaries.

*EFFECTIVE DATE: IMMEDIATELY - TLTA SUPPORTED*

*RULEMAKING: None*

 **HB 1860 by Deshotel**  
**Mechanic's Liens and Removables**

Relating to a mechanic's, contractor's, or materialman's lien for removables.

*FAILED TO PASS - TLTA SUPPORTED*

**Effective Dates for TLTA Legislation**

<b>NOW</b>	<b>SEPTEMBER 1, 2011</b>	<b>JANUARY 1, 2012</b>
<b>H.B. 8</b> Private Transfer Fee Prohibition	<b>H.B. 2408</b> TDI Omnibus *except for certain sections relating to minerals, which will be in effect January 1, 2012	<b>H.B. 1821</b> HOA Resale Certificates
	<b>H.B. 558</b> Payoff Statements	
<b>H.B. 2604</b> Minimum Capitalization *Rules and forms must be promulgated by TDI no later than January 1, 2012	<b>S.B. 1496</b> Correction Deeds	Title companies may not be forced to insure the mineral estate, they may take a general exception and there shall be no credit.
	<b>S.B. 1187</b> Notice of Lis Pendens	<b>H.B. 2408</b> Minerals Endorsements Sec. 2703.0515
	<b>S.B. 1320</b> Foreign Passport for Notary Identification	There shall be no charge for a T-19.2 or T-19.3 endorsement to a loan policy and there is no requirement that the endorsements be offered if a general exception is taken.

# Other Legislation of Interest

## TITLE INSURANCE

### HB 2836 by Smithee Title Insurance Rates

Provides for near unlimited flexibility for the Commissioner to set rates on an individual company basis for underwriters and agents.

*FAILED TO PASS - TLTA OPPOSED*

### HB 2837 by Smithee Title Insurance Rates

Provides for a rate flex band 10% percent above and below a price set by the Commissioner.

*FAILED TO PASS - TLTA OPPOSED*

### HB 2838 by Smithee Title Insurance Rates

Provides for a downward deviation in rates.

*FAILED TO PASS - TLTA OPPOSED*

### HB 2839 by Smithee Title Insurance Rates

Relating to the regulation of title insurance rates on a file and use basis.

*FAILED TO PASS - TLTA OPPOSED*

### SB 322 by Carona Reinsurance Contracts

Relating to certain requirements for reinsurance contracts covering, and to certain restrictions regarding, title insurance policies issued in this state.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 - NO TLTA POSITION TAKEN*

### SB 735 by Carona Hazardous Coverages by Title Insurance

Relating to the prohibition of certain extra hazardous coverages by title insurance companies.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 - NO TLTA POSITION TAKEN*

### SB 1229 by Eltife Market Conduct Examinations

Relating to the registration with the Texas Department of Insurance of certain contract examiners.

*EFFECTIVE DATE: IMMEDIATELY - NO TLTA POSITION TAKEN*

### SB 1824 by Harris Title Insurance Regulation

Relating to the regulation of title insurance.

*FAILED TO PASS - TLTA NO POSITION*

### Special Session SB 1 by Duncan I Shapiro Title Insurance Company Examination Credit

Relating to certain state fiscal matters; providing penalties. The credit provided to title companies for an examination fee is not available for years 2012 or 2013; however this provision is subject to sunset in 2014 and the credits will resume thereafter.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 (UNLESS OTHERWISE STATED IN LEGISLATION) - SEE PG. 4, LINE 3 FOR TITLE INSURANCE*

## TITLE IN REAL PROPERTY

### HB 1071 by Davis Deed Restrictions

Relating to the extension of deed restriction in certain residential real estate subdivisions.

*EFFECTIVE DATE: IMMEDIATELY - NO TLTA POSITION TAKEN*

### SB 473 by West Adverse Possession

Relating to adverse possession of real property by a cotenant heir against other cotenant heirs.

*FAILED TO PASS - TLTA SUPPORTED*

### SB 1320 by Lucio Deeds in Lieu of Foreclosure

Relating to the execution of written instruments relating to residential real estate transactions and deeds conveying residential real estate in connection with certain transactions involving residential real estate. This bill adds Chapter 21 to the Business and Commerce Code.

A seller or lender may not require a deed in lieu of foreclosure before or at the same time they sell/loan to the consumer. If a deed is executed in violation of this law, it is voidable; but the purchaser or buyer must bring action to void the deed no later than the fourth anniversary of the date the deed was recorded.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 - TLTA SUPPORTED*

### SB 1367 by West Establishment of Record Title

Relating to the publication of a list of certain residential property claimed without record title.

*FAILED TO PASS - NO TLTA POSITION TAKEN*

## LIENS ON REAL PROPERTY

### HB 346 by Kleinschmidt Mechanic's Liens

Relating to the award of costs and attorney's fees in certain proceedings concerning mechanic's, contractor's, or materialman's liens.

*FAILED TO PASS - NO TLTA POSITION TAKEN*

### HB 456 by Lucio Security Service Liens

Relating to a security services contractor's lien.

*FAILED TO PASS - NO TLTA POSITION TAKEN*

### HB 1390 by Deshotel Mechanic's Liens Retainage

Relating to retainage under certain construction contracts. This bill amends the Property Code dealing with retainage and changes the time frames for various steps in the lien process.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 - NO TLTA POSITION TAKEN*

### HB 1456 by Orr Mechanic's Liens Waiver

Relating to the waiver and release of a mechanic's, contractor's, or materialman's lien or payment bond claim and to the creation of a mechanic's, contractor's, or materialman's lien for certain landscaping. This bill prescribes the form for certain releases or waivers of mechanic's liens and payment bond claims. A standardized form will help to clean-up mechanic's liens against property as needed.

*EFFECTIVE DATE: JANUARY 1, 2012 - NO TLTA POSITION TAKEN*

### HB 3756 by Carter Interior Design Liens

Relating to imposing liens for labor and materials provided by interior designers.

*FAILED TO PASS - NO TLTA POSITION TAKEN*

### SB 539 by Carona Mechanic's Liens Attorney's Fees

Relating to the award of costs and attorney's fees in certain proceedings concerning mechanic's, contractor's, or materialman's liens.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 - NO TLTA POSITION TAKEN*

### SB 1368 by West Authority of Co-Owner to Encumber Property

Relating to the authority of a co-owner of residential property to encumber the property. The newly added Chapter 64 of the Property Code gives the co-owner of a residential one-to-four unit property the ability to act as an agent for the other owner, including the ability to create a lien. Co-owner must have occupied the property for more than five years, have a residence homestead exemption, and paid all property taxes without contribution from the other co-owner. They must also file an affidavit with the county clerk. A lien entered into by an occupying co-owner is not subject to repudiation by another co-owner.

*EFFECTIVE DATE: IMMEDIATELY - TLTA SUPPORTED*

## MINERALS

### HB 1355 by Orr, Smithee, Vo Minerals

Relating to title insurance coverage for minerals and surface damage resulting from mineral extraction and development. Many elements of this bill are included in TLTA's House Bill 2408.

*FAILED TO PASS - NO TLTA POSITION TAKEN*

### HB 2849 by Simpson Minerals

Relating to the rights of an owner of the surface estate in land in connection with mineral exploration and production operations.

*FAILED TO PASS - NO TLTA POSITION TAKEN*

### HB 3749 by Oliveira Minerals

Relating to establishing certain rights of an owner of the surface estate in land who does not own any interest in the mineral estate in the land in connection with the exploration for and production of the minerals.


*FAILED TO PASS - NO TLTA POSITION TAKEN*

## PROPERTY TAX

### HB 95 by Fletcher | King | Berman | Callegari | Pickett Ad Valorem


Relating to an exemption from ad valorem taxation of the residence homestead of the surviving spouse of a 100 percent or totally disabled veteran.

*FAILED TO PASS - NO TLTA POSITION TAKEN*

 **HB 252 by Hilderbran**  
Ad Valorem Taxes


Relating to the eligibility for an exemption from ad valorem taxation of the residence homestead of a person.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 (UNLESS OTHERWISE STATED WITHIN THE LEGISLATION) - NO TLTA POSITION TAKEN*

 **HB 843 by Geren**  
Ad Valorem Taxes

Relating to the use of electronic means for the delivery of ad valorem tax bills to certain property owners and agents.

*EFFECTIVE DATE: JANUARY 1, 2012 - NO TLTA POSITION TAKEN*

 **HB 930 by Darby**  
Ad Valorem Taxes

Relating to the requirements for an application for a tax warrant authorizing the seizure of personal property for the payment of ad valorem taxes.

*EFFECTIVE DATE: IMMEDIATELY - NO TLTA POSITION TAKEN*

 **HB 1118 by Ritter | Deshotel**  
Property Purchased by Taxing Unit

Relating to the resale of property purchased by a taxing unit at a tax sale.

*EFFECTIVE DATE: IMMEDIATELY - NO TLTA POSITION TAKEN*

 **HB 1903 by Keffer**  
Delinquent Taxes


Relating to the sale of delinquent tax receivables by certain local governments.

*FAILED TO PASS - NO TLTA POSITION TAKEN*

 **HB 2203 by Otto**  
Ad Valorem Protest

Relating to the pilot program authorizing a property owner to appeal to the State Office of Administrative Hearings certain appraisal review board determinations.

*EFFECTIVE DATE: IMMEDIATELY - NO TLTA POSITION TAKEN*

 **SB 129 by Patrick**  
Ad Valorem Taxes

Relating to the limitation on increases in the appraised value of a residence homestead for ad valorem taxation.

*FAILED TO PASS - NO TLTA POSITION TAKEN*

 **SB 201 by Uresti**  
Ad Valorem


Relating to the calculation of ad valorem taxes on the residence homestead of a 100 percent or totally disabled veteran for the tax year in which the veteran qualifies or ceases to qualify for an exemption from taxation of the homestead.

*EFFECTIVE DATE: JANUARY 1, 2012 - NO TLTA POSITION TAKEN*

 **SB 551 by Williams**  
Ad Valorem Taxes

Relating to liability for interest on ad valorem taxes on improvements that escaped taxation in a previous year. This amendment to the Tax Code permits taxing districts to collect interest on back taxes where the appraised value did not include new improvements. Taxpayers could avoid the taxes by paying the bill within 120 days. By increasing taxes, this bill would affect collateral values. Additionally, the bill may impact escrows.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 - NO TLTA POSITION TAKEN*

 **SB 762 by Carona**  
Ad Valorem Taxes

Relating to the transfer of an ad valorem tax lien. This bill provides clarity to fees that tax lien financiers can charge, basically mirroring fees permitted for second lien mortgage transactions in Chapter 342. It also provides the Consumer Credit Commissioner stronger enforcement authority and authorizes the Finance Commission to implement rules with regard to fees and payoff statements.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 - NO TLTA POSITION TAKEN*

 **SB 916 by Wentworth**  
Ad Valorem Taxes

Relating to ad valorem tax lien transfers.


*FAILED TO PASS - NO TLTA POSITION TAKEN*

## PROPERTY OWNERS' ASSOCIATIONS


 **HB 232 by White, Kuempel**  
Property Owners' Associations Amendments to CCR's

Relating to the amendment of restrictions affecting real property in certain subdivisions.


*EFFECTIVE DATE: IMMEDIATELY - NO TLTA POSITION TAKEN*

 **HB 362 by Solomons I Workman**  
**Property Owners' Associations – Solar Energy Devices**  
Relating to the regulation by property owner's association of the installation of solar energy devices and certain roofing materials on property.

*EFFECTIVE DATE: IMMEDIATELY - NO TLTA POSITION TAKEN*

 **HB 1228 by Dutton**  
**Property Owners' Associations Assessment Lien**  
Relating to payment and collection of assessments and other charges owed to a property owners' association and foreclosure of a property owners' association assessment lien.  
In order to foreclose an HOA lien, the association must provide written notice of the delinquency to junior lienholders of record. Recipients of this notice must have the opportunity to cure for 60 days. Judicial foreclosure of HOA liens is required in the same manner as home equity loans.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 - NO TLTA POSITION TAKEN*

 **HB 1278 by Coleman I Riddle I Hochberg**  
**Property Owners' Associations**  
Relating to regulation by a property owners' association of certain religious displays.


*EFFECTIVE DATE: IMMEDIATELY - NO TLTA POSITION TAKEN*

 **HB 2761 by Garza I Howard, Charlie**  
**Property Owners' Associations**  
Relating to meetings, elections, and records of certain property owners' associations.


*EFFECTIVE DATE: JANUARY 1, 2012 - NO TLTA POSITION TAKEN*

 **HB 2779 by Bohac I Fletcher**  
**Deshotel I Chisum I Harless**  
**Property Owners' Associations**  
Relating to provisions in the dedicatory instruments of property owners' associations regarding display of flags.

*EFFECTIVE DATE: IMMEDIATELY - NO TLTA POSITION TAKEN*

 **HB 2869 by Harper-Brown**  
**Mixed Use Property Owners' Associations**  
Relating to the powers and duties of certain master mixed-use property owners' associations.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 - NO TLTA POSITION TAKEN*

 **SB 142 by West**  
**Property Owners' Associations**  
Relating to real property that is subject to restrictive covenants, including the operation of property owners' associations of subdivisions that are subject to restrictive covenants, and to certain foreclosure actions.


*FAILED TO PASS - NO TLTA POSITION TAKEN*

 **SB 472 by West**  
**Property Owners' Associations**  
Relating to voting practices and elections of property owners' associations.


*EFFECTIVE DATE: SEPTEMBER 1, 2011 - NO TLTA POSITION TAKEN*

 **SB 1204 by West**  
**Property Owners' Associations**  
Relating to the procedures for collection of assessments and other debts, including foreclosure of an assessment lien, by a property owners' association.

*FAILED TO PASS - NO TLTA POSITION TAKEN*


 **SB 1235 by West**  
**Property Owners' Associations**  
Relating to real property that is subject to restrictive covenants and the operation of property owners' associations of subdivisions that are subject to restrictive covenants.

*FAILED TO PASS - NO TLTA POSITION TAKEN*

 **SJR 19 by Jackson**  
**Property Owners' Associations**  
Proposing a constitutional amendment permitting an encumbrance to be fixed on homestead property for an obligation to pay certain property owners' association fees and fines without permitting the forced sale of the homestead.


*FAILED TO PASS - NO TLTA POSITION TAKEN*

## FORECLOSURES

 **HB 1127 by Gutierrez**  
**Foreclosure and Military Personnel**  
Relating to notice of relief available to certain members of the military required to be provided in certain real property documentation.  
Amends the Property Code to assure that tenant notices (for eviction) and foreclosure notices must remind parties of rights under the Servicemembers Civil Relief Act.


*EFFECTIVE DATE: JANUARY 1, 2012 - NO TLTA POSITION TAKEN*



 **HB 1392 by Gutierrez**  
**Indigent Legal Services**

Relating to a fee imposed on the transfer of property following a foreclosure sale to fund civil legal services for indigents.

*FAILED TO PASS - NO TLTA POSITION TAKEN*

 **SB 101 by Van de Putte**  
**Nonjudicial Foreclosures**

Relating to the regulation of nonjudicial foreclosure on residences owned by certain members of the military, including foreclosures by a property owners' association.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 - NO TLTA POSITION TAKEN*


 **SB 767 by Ellis**  
**Mortgage Foreclosure Consulting Services**

Relating to the regulation of certain residential mortgage foreclosure consulting services.

The bill adds Chapter 21 to the Business and Commerce Code to regulate residential foreclosure consulting services. The contract must be in writing and must include a statutory notice of rights. Attorneys and banks who represent either the consumer or the lender are exempt.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 - NO TLTA POSITION TAKEN*

## MORTGAGE BANKING

 **HB 213 by Rodriguez**  
**Mortgage Servicer**

Relating to the duties of a mortgage servicer of certain residential mortgage loans.

*FAILED TO PASS - NO TLTA POSITION TAKEN*

 **SB 17 by Carona**  
**Mortgage Loan Servicers**

Relating to the regulation of residential mortgage loan servicers.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 - NO TLTA POSITION TAKEN*

 **SB 1124 by Carona**  
**Mortgage Lending Licensing**

Relating to licensing and regulation of certain persons involved in residential mortgage lending pursuant to the Texas Secure and Fair Enforcement for Mortgage Licensing Act of 2009.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 (EXCEPT AS PROVIDED BY SUBSECTION B) - NO TLTA POSITION TAKEN*

 **SB 1319 by Lucio**  
**Mortgage Lending**

Relating to certain loans secured by a lien on residential real property and to other transactions involving residential real property; providing civil penalties.

*FAILED TO PASS - NO TLTA POSITION TAKEN*

## MORTGAGE FRAUD

 **SB 485 by Huffman**  
**Mortgage Fraud**

Relating to proper venue for certain criminal prosecutions of mortgage fraud.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 - NO TLTA POSITION TAKEN*

## PRIVACY

 **HB 1046 by Fletcher**  
**Privacy**

Relating to the confidentiality of certain personal information concerning current and former employees of certain divisions of the office of attorney general.

*EFFECTIVE DATE: IMMEDIATELY - NO TLTA POSITION TAKEN*

 **HB 1055 by Villarreal**  
**Management & Preservation of Municipal Records Fee**

Relating to a fee by certain municipalities for the management and preservation of historical municipal records.

*FAILED TO PASS - NO TLTA POSITION TAKEN*

 **HB 1215 by McClendon | Carter**  
**Privacy**

Relating to the creation of the offense of unauthorized acquisition or transfer of certain financial information. The bill amends current law to create an offense of unauthorized acquisition or transfer of certain financial information, i.e. a person's check, credit or debit card, without that person's permission.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 - NO TLTA POSITION TAKEN*

 **HB 1559 by Davis, Sarah | Bohac | Sheets | Garza**  
**Court Document Retention, Storage & Destruction**


Relating to sealing of court records containing identifying financial information or personal identifying information.

*EFFECTIVE DATE: IMMEDIATELY - NO TLTA POSITION TAKEN*

 **HB 2101 by Hernandez Luna**  
**Financial Information in Court Documents**

Relating to sealing of court records containing identifying financial information or personal identifying information.

*FAILED TO PASS - NO TLTA POSITION TAKEN*

 **SB 602 by Rodriguez**  
**Confidential Information**

Relating to confidential information under the public information law and to procedures and deadlines under the public information law in relation to the redaction of certain confidential information by a governmental body.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 - NO TLTA POSITION TAKEN*

 **SB 669 by Wentworth**  
**Public Information Law Requests**

Relating to requests to inspect or be provided with copies of information under the public information law.

*FAILED TO PASS - NO TLTA POSITION TAKEN*

 **SB 677 by Gallegos**  
**Public Information Law Violations**

Relating to the enforcement of the public information law; providing for the imposition of a civil penalty.

*FAILED TO PASS - NO TLTA POSITION TAKEN*

 **SB 1571 by Watson**  
**Public Information Law**

Relating to information subject to the public information law.

*FAILED TO PASS - NO TLTA POSITION TAKEN*

 **SB 1638 by Davis**  
**Privacy**

Relating to the exception of certain personal information from required disclosure under the public information law.

*EFFECTIVE DATE: IMMEDIATELY - NO TLTA POSITION TAKEN*

## COUNTY ISSUES

 **HB 627 by Woolley**  
**Certified Electronic Documents**

Relating to a fee collected by a district clerk for certain electronic certified copies.

*EFFECTIVE DATE: IMMEDIATELY - TLTA OPPOSED, LATER REVISED TO NEUTRAL*

 **HB 1643 by Zerwas**  
**Development Agreement**

Relating to the duration of a development agreement governing land in the extraterritorial jurisdiction of certain municipalities.

*EFFECTIVE DATE: IMMEDIATELY - NO TLTA POSITION TAKEN*

 **HB 2717 by Darby**  
**County, District Clerks and Local Registrars**

Relating to certain duties, functions, and procedures of county clerks, district clerks, and local registrars.

*EFFECTIVE DATE: IMMEDIATELY - NO TLTA POSITION TAKEN*

 **SB 136 by Wentworth**  
**County Authority**

Relating to granting counties authority to regulate certain land use; providing penalties.


*FAILED TO PASS - NO TLTA POSITION TAKEN*

 **SB 1830 by Wentworth**  
**District Court Records**

Relating to increasing certain fees for preservation and archiving of district court records.

*FAILED TO PASS - NO TLTA POSITION TAKEN*

## APPRAISALS

 **HB 1146 by Kuempel**  
**Appraisals**

Relating to the registration and regulation of appraisal management companies.

This bill addresses problems that have arisen with regard to companies acting under the Home Valuation Code of Conduct. Fannie and Freddie required loans sold on the secondary market to have appraisals done by companies that adhered to the HVCC. Fannie and Freddie has recently discontinued the HVCC.

*EFFECTIVE DATE: GOVERNOR SHALL APPOINT THE ADVISORY COMMITTEE NO LATER THAN JANUARY 31, 2013 - NO TLTA POSITION TAKEN*

 **HJR 16 by Riddle**  
**Maximum Appraised Value on Homestead**

Proposing a constitutional amendment authorizing the legislature to provide for a local option election in a county to set a limit on the maximum appraised value of a residence homestead for ad valorem tax purposes of less than 110 percent but not less than 103 percent of the appraised value of the property for the preceding tax year.

*FAILED TO PASS - NO TLTA POSITION TAKEN*

## ESTATES

### HB 908 by Thompson Community Estate – Fraud Factor

Relating to the division of community property on dissolution of marriage.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 - NO TLTA POSITION TAKEN*

### HB 2759 by Hartnett Texas Probate Code Revisions

Relating to the nonsubstantive revision of provisions of the Texas Probate Code relating to durable powers of attorney, guardianships, and other related proceedings and alternatives, and the redesignation of certain other provisions of the Texas Probate Code, including conforming amendments and repeals.

*EFFECTIVE DATE: JANUARY 1, 2014 - NO TLTA POSITION TAKEN*

### SB 1197 by Rodriguez Trusts

Relating to trusts.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 - NO TLTA POSITION TAKEN*

### SB 1198 by Rodriguez Texas Probate Code Revisions

Relating to descendents' estates.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 (EXCEPT AS OTHERWISE PROVIDED BY THIS ACT) - NO TLTA POSITION TAKEN*

## WATER

### SB 332 by Fraser Water Districts

Relating to the ownership of groundwater below the surface of land, the right to produce that groundwater, and the management of groundwater in this state. This was one of two competing Senate bills dealing with water rights. A compromise was reached on this bill thus resulting in the recognition of landowner's "right to capture" and their ownership of the groundwater under their property. The subject is still subject to certain regulation by certain water districts.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 - NO TLTA POSITION TAKEN*

### SB 573 by Nichols | Gallegos | Patrick Water & Sewer

Relating to certificates of public convenience and necessity for water or sewer services.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 - TLTA SUPPORTED*

### SB 667 by Duncan Groundwater Rights

Relating to the management of groundwater resources in this state and the rights of landowners in groundwater.

*FAILED TO PASS - NO TLTA POSITION TAKEN*

### SB 978 by Hinojosa Hidalgo County Water Improvement

Relating to procedures for the dissolution of the Hidalgo County Water Improvement District No. 3. This bill would allow the City of McAllen and members of Hidalgo County Water Improvement District No. 3 to vote for the dissolution of the district. Governor Perry vetoed the bill stating, "This bill puts the district at a clear disadvantage because the overwhelming majority of votes would come from outside the boundaries of the district, effectively allowing the city to take the district's water rights and property." View Governor Perry's full veto statement.

*VETOED BY THE GOVERNOR - TLTA SUPPORTED*

### SJR 4 by Estes Texas Water Development Board

Proposing a constitutional amendment providing for the issuance of additional general obligation bonds by the Texas Water Development Board.

*FILED WITH SECRETARY OF STATE MAY 9, 2011 - NO TLTA POSITION TAKEN*

### SJR 16 by Estes Water Stewardship Programs

Proposing a constitutional amendment providing for the appraisal for ad valorem tax purposes of open-space land devoted to water-stewardship purposes on the basis of its productive capacity.

*FILED WITH SECRETARY OF STATE MAY 25, 2011 - NO TLTA POSITION TAKEN*

## MANUFACTURED HOUSING

### HB 1510 by Hamilton Manufactured Housing

Relating to the regulation of manufactured housing. This bill amends the Occupations Code to deal with real property election, perfection and abandonment of such homes. Additionally, it provides that a lien perfected with the department can only be released by filing a request for release on the department's forms or by using the department's website. The bill provides that tax liens may only be released by filing a tax certificate or paid tax receipt with the department.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 - NO TLTA POSITION TAKEN*

### HB 1998 by Shelton Manufactured Housing

Relating to county authority to enforce minimum infrastructure standards for manufactured home rental communities.

*FAILED TO PASS - NO TLTA POSITION TAKEN*

## CONSTRUCTION

### HB 1876 by Truitt Requirement of Fire Protection Sprinklers

Relating to the authority of certain municipalities to require fire protection sprinkler systems in certain residences.

*FAILED TO PASS - NO TLTA POSITION TAKEN*

### HB 2093 by Thompson Indemnity in Construction Contracts

Relating to the operation and regulation of certain consolidated insurance programs. An amendment was added to this legislation making indemnification provisions in construction contracts void and unenforceable if it requires a person to indemnify, hold harmless or defend another party against a claim cause by negligence, fault, breach or violation of law, or breach of contract.

*EFFECTIVE DATE: JANUARY 1, 2012 - NO TLTA POSITION TAKEN*

## EMINENT DOMAIN

### SB 18 by Estes | Duncan Eminent Domain Authority

Relating to the use of eminent domain authority.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 - NO TLTA POSITION TAKEN*

### SB 402 by West Community Land Trusts

Relating to community land trusts.

*EFFECTIVE DATE: JANUARY 1, 2012 - NO TLTA POSITION TAKEN*

## SALES PRICE DISCLOSURE

### HB 666 by Villarreal Sales Price Disclosure Study

Relating to a study regarding sales price disclosure of real property.

*FAILED TO PASS - NO TLTA POSITION TAKEN*

### SB 299 by Wentworth Sales Price Disclosure

Relating to the mandatory sales price disclosure in real property sales.

*FAILED TO PASS - NO TLTA POSITION TAKEN*

## LANDLORD-TENANT

### HB 1111 by Hartnett Tenant's Failure to Pay Rent During Appeal of Eviction

Relating to a tenant's failure to pay rent during an appeal of an eviction for nonpayment of rent after filing a pauper's affidavit.

*EFFECTIVE DATE: JANUARY 1, 2012 - NO TLTA POSITION TAKEN*

### HB 1127 by Gutierrez Citation in Eviction – Active Military Duty Rights

Relating to notice of relief available to certain members of the military required to be provided in certain real property documentation.

*EFFECTIVE DATE: JANUARY 1, 2012 - NO TLTA POSITION TAKEN*

### SB 889 by Carona Assignment of Rents

Relating to assignment of rents to holders of certain security interests in real property. This bill adds the Uniform Assignment of Rents Act by adding Chapter 64 to the Property Code. It clarifies that the deed of trust creates an assignment of rents unless it provides otherwise and outlines methods of enforcing such assignments.

*EFFECTIVE DATE: IMMEDIATELY - NO TLTA POSITION TAKEN*



**SB 1160 by Seliger**  
**Landowner Liability to Trespasser**

Relating to assignment of rents to holders of certain security interests in real property. This bill adds the Uniform Assignment of Rents Act by adding Chapter 64 to the Property Code. It clarifies that the deed of trust creates an assignment of rents unless it provides otherwise and outlines methods of enforcing such assignments.

*EFFECTIVE DATE: IMMEDIATELY - NO TLTA POSITION TAKEN*



**SB 647 by Hegar**  
**Office of Public Insurance Counsel**

Relating to the continuation and operation of the office of public insurance counsel.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 - NO TLTA POSITION TAKEN*



**SB 1000 by Eltife | Hinojosa | Van de Putte | Williams**  
**Texas Real Estate Commission**

Relating to the self-directed and semi-independent status of the Texas Real Estate Commission.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 - NO TLTA POSITION TAKEN*



**SB 1008 by Carona**  
**Finance Commission of Texas**

Relating to the composition of the Finance Commission of Texas.

*EFFECTIVE DATE: IMMEDIATELY - NO TLTA POSITION TAKEN*



**SB 1291 by Hegar**  
**Office of Public Insurance Counsel**

Relating to the budget of certain divisions of the Texas Department of Insurance.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 - NO TLTA POSITION TAKEN*

## STATE AGENCIES



**HB 813 by Gutierrez**  
**Texas Department of Insurance Commissioner**

Relating to the election of the Commissioner of Insurance.

*FAILED TO PASS - NO TLTA POSITION TAKEN*



**HB 1310 by Smithee**  
**Office of Public Insurance Counsel**

Relating to the office of public insurance counsel's authority to initiate a hearing on or object to insurance rates or rate filings.

*FAILED TO PASS - NO TLTA POSITION TAKEN*



**HB 1951 by Taylor**  
**Texas Department of Insurance**

Relating to the continuation and operation of the Texas Department of Insurance and the operation of certain insurance programs.

*EFFECTIVE DATE: SEPTEMBER 1, 2011 - NO TLTA POSITION TAKEN*



**HB 2608 by Harper Brown**  
**Texas Department of Housing and Community Affairs**

Relating to the continuation and functions of the Texas Department of Housing and Community Affairs.

This is the Sunset bill for the Texas Department of Housing and Community Affairs (TDHCA) and adopts the majority of changes recommended by the Sunset Commission in addition to continuing the operations of the agency until 2023. The Governor vetoed the bill due to language "that would impose a new layer of bureaucracy that makes unrealistic demands of the state, delay assistance to communities hit by disasters and duplicate disaster planning conducted by the Texas Division of Emergency Management." View the Governor's full veto statement.

*VETOED BY GOVERNOR - NO TLTA POSITION TAKEN*