

1-1 By: Darby (Senate Sponsor - Menéndez) H.B. No. 1176
 1-2 (In the Senate - Received from the House April 26, 2019;
 1-3 April 29, 2019, read first time and referred to Committee on State
 1-4 Affairs; May 10, 2019, reported favorably by the following vote:
 1-5 Yeas 7, Nays 1; May 10, 2019, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9		X		
1-10	X			
1-11			X	
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to technical defects in instruments affecting real
 1-20 property.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. Sections 16.033(a) and (c), Civil Practice and
 1-23 Remedies Code, are amended to read as follows:

1-24 (a) A person with a right of action for the recovery of real
 1-25 property or an interest in real property conveyed by an instrument
 1-26 with one of the following defects must bring suit not later than two
 1-27 years after the day the instrument was filed for record with the
 1-28 county clerk of the county where the real property is located:

1-29 (1) lack of the signature of a proper corporate
 1-30 officer, partner, or company officer, manager, or member;

1-31 (2) lack of a corporate seal;

1-32 (3) failure of the record to show the corporate seal
 1-33 used;

1-34 (4) failure of the record to show authority of the
 1-35 board of directors or stockholders of a corporation, partners of a
 1-36 partnership, or officers, managers, or members of a company;

1-37 (5) execution and delivery of the instrument by a
 1-38 corporation, partnership, or other company that had been dissolved,
 1-39 whose charter had expired, or whose franchise had been canceled,
 1-40 withdrawn, or forfeited;

1-41 (6) ~~acknowledgment of the instrument in an~~
 1-42 ~~individual, rather than a representative or official, capacity,~~

1-43 ~~[(7)]~~ execution of the instrument by a trustee without
 1-44 record of the authority of the trustee or proof of the facts recited
 1-45 in the instrument;

1-46 ~~[(8) failure of the record or instrument to show an~~
 1-47 ~~acknowledgment or jurat that complies with applicable law,] or~~

1-48 (7) ~~[(9)]~~ wording of the stated consideration that may
 1-49 or might create an implied lien in favor of the grantor.

1-50 (c) An An ~~[For the purposes of this section, an]~~ instrument
 1-51 affecting real property containing a ~~[ministerial]~~ defect in,
 1-52 omission of, or informality in the ~~[certificate of]~~ acknowledgment
 1-53 that has been filed for record for longer than six months ~~[two~~
 1-54 ~~years]~~ in the office of the county recorder of the county in which
 1-55 the property is located is considered to have been lawfully
 1-56 recorded and to be notice of the existence of the instrument on and
 1-57 after the date the instrument is filed.

1-58 SECTION 2. The change in law made by this Act applies only
 1-59 to an instrument filed for record on or after the effective date of
 1-60 this Act. An instrument filed for record before the effective date
 1-61 of this Act is governed by the law in effect immediately before the

2-1 effective date of this Act, and that law is continued in effect for
2-2 that purpose.

2-3 SECTION 3. This Act takes effect September 1, 2019.

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