

AN ACT

relating to expunction of a notice of lis pendens.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 12.0071(f), Property Code, is amended to read as follows:

(f) After a certified copy of an order expunging a notice of lis pendens has been recorded:

(1) [~~1~~] the notice of lis pendens and any information derived or that could be derived from the notice:

(A) [~~1~~] does not:

(i) [~~A~~] constitute constructive or actual notice of any matter contained in the notice or of any matter relating to the action in connection with which the notice was filed [~~proceeding~~];

(ii) [~~B~~] create any duty of inquiry in a person with respect to the property described in the notice; or

(iii) [~~C~~] affect the validity of a conveyance to a purchaser for value or of a mortgage to a lender for value; and

(B) [~~2~~] is not enforceable against a purchaser or lender described by Paragraph (A)(iii) [~~Subdivision (1)(C)~~], regardless of whether the purchaser or lender knew of the lis pendens action; and

(2) an interest in the real property may be

1 transferred or encumbered free of all matters asserted or disclosed
2 in the notice and all claims or other matters asserted or disclosed
3 in the action in connection with which the notice was filed.

4 SECTION 2. The change in law made by this Act applies only
5 to a certified copy of an order expunging a notice of lis pendens
6 recorded on or after the effective date of this Act. A certified
7 copy of an order expunging a notice of lis pendens recorded before
8 the effective date of this Act is governed by the law in effect at
9 that time, and that law is continued in effect for that purpose.

10 SECTION 3. This Act takes effect September 1, 2017.

S.B. No. 1955

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 1955 passed the Senate on April 26, 2017, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 1955 passed the House on May 6, 2017, by the following vote: Yeas 142, Nays 0, one present not voting.

Chief Clerk of the House

Approved:

Date

Governor