

1 AN ACT  
2 relating to the appointment of substitute trustees in certain  
3 foreclosures.

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

5 SECTION 1. Section 51.0075, Property Code, is amended by  
6 amending Subsection (c) and adding Subsections (d) and (e) to read  
7 as follows:

8 (c) Notwithstanding any agreement to the contrary, a [A]  
9 mortgagee may appoint or may authorize a mortgage servicer to  
10 appoint a [~~perpetual~~] substitute trustee or substitute trustees to  
11 succeed to all title, powers, and duties of the original trustee. A  
12 mortgagee or mortgage servicer may make an appointment or  
13 authorization under this subsection by power of attorney, corporate  
14 resolution, or other written instrument. [~~The power of attorney or~~  
15 written instrument must be signed by the mortgagee's  
16 representative, acknowledged, and sworn to with a jurat.]

17 (d) A mortgage servicer may authorize an attorney to appoint  
18 a substitute trustee or substitute trustees on behalf of a  
19 mortgagee under Subsection (c).

20 (e) The name and a street address for a trustee or  
21 substitute trustees shall be disclosed on the notice required by  
22 Section 51.002(b).

23 SECTION 2. The changes in law made by this Act apply to a  
24 security instrument or other contract executed on or after the

1 effective date of this Act and to a security instrument or other  
2 contract executed before the date of this Act that does not conflict  
3 with the changes in law made by this Act. A security instrument or  
4 other contract executed before the effective date of this Act that  
5 conflicts with the changes in law made by this Act is governed by  
6 the law in effect at the time the security instrument or other  
7 contract was executed, and the former law is continued in effect for  
8 that purpose.

9 SECTION 3. This Act takes effect September 1, 2005.

David Newkumst

President of the Senate

Jim Caddell

Speaker of the House

I certify that H.B. No. 1234 was passed by the House on May 13, 2005, by a non-record vote.

Robert Hamey

Chief Clerk of the House

I certify that H.B. No. 1234 was passed by the Senate on May 25, 2005, by the following vote: Yeas 31, Nays 0.

Arseny Spaw

Secretary of the Senate

APPROVED:

18 JUNE '05

Date

Rick Perry

Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
10:20 AM

JUN 18 2005

Roger Williams  
Secretary of State