

By: Naishtat

H.B. No. 3139

A BILL TO BE ENTITLED

AN ACT

relating to prompt action by certain holders of preferred debt and  
lien claims against secured property of a decedent's estate.

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

SECTION 1. Subchapter D, Chapter 355, Estates Code, is  
amended by adding Section 355.1551 to read as follows:

Sec. 355.1551. CLAIM HOLDER DUTY TO POSSESS OR SELL WITHIN  
REASONABLE TIME. (a) A claim holder of a claim allowed and approved  
under Section 355.151(a)(2) who elects to take possession or sell  
the property securing the debt before final maturity in  
satisfaction of the claim holder's claim must do so within a  
reasonable time, as determined by the court.

(b) If the claim holder fails to take possession or sell  
secured property within a reasonable time under Subsection (a), on  
application by the personal representative, the court may require  
the sale of the property free of the lien and apply the proceeds to  
the payment of the whole debt.

SECTION 2. Section 355.1551, Estates Code, as added by this  
Act, applies to the administration of the estate of a decedent that  
is pending or commenced on or after the effective date of this Act.

SECTION 3. This Act takes effect September 1, 2015.