

1-1 By: Cyrier (Senate Sponsor - Zaffirini) H.B. No. 4374  
 1-2 (In the Senate - Received from the House May 12, 2021;  
 1-3 May 12, 2021, read first time and referred to Committee on Local  
 1-4 Government; May 22, 2021, reported adversely, with favorable  
 1-5 Committee Substitute by the following vote: Yeas 6, Nays 0;  
 1-6 May 22, 2021, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
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			X	

1-18 COMMITTEE SUBSTITUTE FOR H.B. No. 4374 By: Menéndez

1-19 A BILL TO BE ENTITLED  
 1-20 AN ACT

1-21 relating to the use of executory contracts for the purchase of land  
 1-22 to be used as a residence in certain counties.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Subchapter D, Chapter 5, Property Code, is  
 1-25 amended by adding Section 5.0622 to read as follows:

1-26 Sec. 5.0622. ADDITIONAL APPLICABILITY: CERTAIN COUNTIES.

1-27 (a) This section applies only to a county with a population of less  
 1-28 than 100,000 that is located in a metropolitan statistical area as  
 1-29 defined by the federal Office of Management and Budget:

1-30 (1) with a population of more than 1.5 million; and

1-31 (2) adjacent to a different metropolitan statistical  
 1-32 area as defined by the federal Office of Management and Budget with  
 1-33 a population of more than 2 million.

1-34 (b) The commissioners court of a county may adopt an order  
 1-35 requiring an executory contract for the conveyance of land used or  
 1-36 to be used as a residence located in the county to be subject to this  
 1-37 subchapter. The order must specify a method for determining  
 1-38 whether the land is used or to be used as a residence.

1-39 (c) The order may not include an executory contract for the  
 1-40 conveyance of land:

1-41 (1) described by Section 5.062(b), (c), or (d); or

1-42 (2) that is to be used primarily for agricultural use,  
 1-43 as defined by Section 1-d, Article VIII, Texas Constitution, or for  
 1-44 farm, ranch, wildlife management, or timber production use within  
 1-45 the meaning of Section 1-d-1, Article VIII, Texas Constitution, and  
 1-46 for which no part of the land is to be used as a residence.

1-47 (d) If a tract described by Subsection (c)(2) ceases to be  
 1-48 used primarily for agricultural use or for farm, ranch, wildlife  
 1-49 management, or timber production use, or any part of the land is  
 1-50 used as a residence, the executory contract for the conveyance of  
 1-51 the land may be included in an order authorized by this section.

1-52 SECTION 2. Subchapter D, Chapter 5, Property Code, is  
 1-53 amended by adding Section 5.087 to read as follows:

1-54 Sec. 5.087. ADDITIONAL PROVISIONS: CERTAIN COUNTIES. (a)

1-55 This section applies only to a county adopting an order under  
 1-56 Section 5.0622.

1-57 (b) The commissioners court may not modify the provisions of  
 1-58 this subchapter except the commissioners court may provide in the  
 1-59 order that an executory contract to which the order applies may not  
 1-60 be used to purchase land for residential purposes unless the

2-1 conversion authorized by Section 5.081 is required to occur not  
2-2 later than three years after the date the executory contract is  
2-3 entered into.

2-4 SECTION 3. Sections 5.0622 and 5.087, Property Code, as  
2-5 added by this Act, apply only to an executory contract entered into  
2-6 on or after the date the commissioners court adopts an order  
2-7 authorized by this Act.

2-8 SECTION 4. This Act takes effect September 1, 2021.

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