

By: Longoria

H.B. No. 4277

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the right of a purchaser to terminate a contract of
3 purchase and sale of real property for failure to provide notice
4 that the property is located in a public improvement district.

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

6 SECTION 1. Section 5.0141(b), Property Code, is amended to
7 read as follows:

8 (b) In the event a contract of purchase and sale is entered
9 into without the seller providing the notice, the purchaser is
10 entitled to terminate the contract for any reason, not later than
11 the seventh day after the date the purchaser receives the notice. A
12 purchaser may terminate the contract under this subsection only if
13 the municipality or county filed a copy of the service plan with the
14 county clerk in accordance with Section 372.013, Local Government
15 Code, before the date the contract was entered into.

16 SECTION 2. Section 5.0141, Property Code, as amended by
17 this Act, applies only to a sale or conveyance of property for which
18 a binding contract is executed on or after the effective date of
19 this Act. A sale or conveyance for which a binding contract is
20 executed before the effective date of this Act is governed by the
21 law in effect on the date the contract is executed, and the former
22 law is continued in effect for that purpose.

23 SECTION 3. This Act takes effect immediately if it receives
24 a vote of two-thirds of all the members elected to each house, as

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1 provided by Section 39, Article III, Texas Constitution. If this
2 Act does not receive the vote necessary for immediate effect, this
3 Act takes effect September 1, 2023.