

1-1 By: West S.B. No. 2091  
 1-2 (In the Senate - Filed March 9, 2023; March 21, 2023, read  
 1-3 first time and referred to Committee on Local Government;  
 1-4 March 29, 2023, reported favorably by the following vote: Yeas 7,  
 1-5 Nays 0; March 29, 2023, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Bettencourt	X			
1-8 Springer	X			
1-9 Eckhardt	X			
1-10 Gutierrez			X	
1-11 Hall	X			
1-12 Nichols	X			
1-13 Parker	X			
1-14 Paxton	X			
1-15 West			X	

1-17 A BILL TO BE ENTITLED  
 1-18 AN ACT

1-19 relating to the authority of a taxing unit to sell certain seized or  
 1-20 foreclosed property to an owner of an abutting property without  
 1-21 conducting a public sale.

1-22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-23 SECTION 1. Section 33.43(a), Tax Code, is amended to read as  
 1-24 follows:

1-25 (a) A petition initiating a suit to collect a delinquent  
 1-26 property tax is sufficient if it alleges that:

1-27 (1) the taxing unit is legally constituted and  
 1-28 authorized to impose and collect ad valorem taxes on property;

1-29 (2) tax in a stated amount was legally imposed on each  
 1-30 separately described property for each year specified and on each  
 1-31 person named if known who owned the property on January 1 of the  
 1-32 year for which the tax was imposed;

1-33 (3) the tax was imposed in the county in which the suit  
 1-34 is filed;

1-35 (4) the tax is delinquent;

1-36 (5) penalties, interest, and costs authorized by law  
 1-37 in a stated amount for each separately assessed property are due;

1-38 (6) the taxing unit is entitled to recover each  
 1-39 penalty that is incurred and all interest that accrues on  
 1-40 delinquent taxes imposed on the property from the date of the  
 1-41 judgment to the date of the sale under Section 34.01 or 34.0101, or  
 1-42 under Section 253.010, Local Government Code, as applicable, if the  
 1-43 suit seeks to foreclose a tax lien;

1-44 (7) the person sued owned the property on January 1 of  
 1-45 the year for which the tax was imposed if the suit seeks to enforce  
 1-46 personal liability;

1-47 (8) the person sued owns the property when the suit is  
 1-48 filed if the suit seeks to foreclose a tax lien;

1-49 (9) the taxing unit asserts a lien on each separately  
 1-50 described property to secure the payment of all taxes, penalties,  
 1-51 interest, and costs due if the suit seeks to foreclose a tax lien;

1-52 (10) all things required by law to be done have been  
 1-53 done properly by the appropriate officials; and

1-54 (11) the attorney signing the petition is legally  
 1-55 authorized to prosecute the suit on behalf of the taxing unit.

1-56 SECTION 2. Subchapter A, Chapter 34, Tax Code, is amended by  
 1-57 adding Section 34.0101 to read as follows:

1-58 Sec. 34.0101. SALE OF CERTAIN PROPERTY TO OWNER OF ABUTTING  
 1-59 PROPERTY. (a) In this section:

1-60 (1) "Flood insurance rate map" means the most recent  
 1-61 flood hazard map published by the Federal Emergency Management

2-1 Agency under the National Flood Insurance Act of 1968 (42 U.S.C.  
2-2 Section 4001 et seq.).

2-3 (2) "Floodway" means an area that is identified on the  
2-4 flood insurance rate map as a regulatory floodway, including the  
2-5 channel of a river or other watercourse and the adjacent land areas  
2-6 that must be reserved for the discharge of a base flood, also  
2-7 referred to as a 100-year flood, without cumulatively increasing  
2-8 the water surface elevation more than a designated height.

2-9 (b) This section applies to real property:

2-10 (1) that is:

2-11 (A) seized under a tax warrant issued under  
2-12 Subchapter E, Chapter 33; or

2-13 (B) ordered sold pursuant to foreclosure of a tax  
2-14 lien; and

2-15 (2) that is:

2-16 (A) a narrow strip of land or other parcel of land  
2-17 that because of its shape or small area cannot be used independently  
2-18 under its current zoning classification or under applicable  
2-19 subdivision or other development ordinances;

2-20 (B) landlocked without direct access to a public  
2-21 road; or

2-22 (C) located in:

2-23 (i) an area designated by the Federal  
2-24 Emergency Management Agency under the National Flood Insurance Act  
2-25 of 1968 (42 U.S.C. Section 4001 et seq.) as having a .02 percent or  
2-26 greater annual chance of flooding; or

2-27 (ii) a floodway.

2-28 (c) Sections 34.01(b), (c), (d), (e), (f), (g), (h), (i),  
2-29 (m), (n), (q), and (s) apply to a sale of real property under this  
2-30 section.

2-31 (d) Notwithstanding any other law, including Sections  
2-32 263.001 and 272.001, Local Government Code, a taxing unit that  
2-33 requested a tax warrant or order of sale for real property subject  
2-34 to this section may direct the officer charged with selling the  
2-35 property to sell the property to an owner of abutting property at a  
2-36 private sale.

2-37 (e) A taxing unit is not required to offer real property  
2-38 subject to this section for sale to the public.

2-39 (f) A purchaser of property under this section must meet the  
2-40 requirements of Section 34.015.

2-41 (g) A taxing unit that directs the sale of real property  
2-42 under this section may sell the property for an amount less than  
2-43 required under Section 34.01(p). This subsection does not  
2-44 authorize a sale of property in violation of Section 52, Article  
2-45 III, Texas Constitution.

2-46 (h) A taxing unit that requested a tax warrant or order of  
2-47 sale for real property subject to this section may sell the property  
2-48 under this section without the consent of any taxing unit entitled  
2-49 to receive proceeds of the sale.

2-50 SECTION 3. Sections 34.02(a) and (d), Tax Code, are amended  
2-51 to read as follows:

2-52 (a) The proceeds of a tax sale under Section 33.94, [~~or~~]  
2-53 34.01, or 34.0101 shall be applied in the order prescribed by  
2-54 Subsection (b). The amount included under each subdivision of  
2-55 Subsection (b) must be fully paid before any of the proceeds may be  
2-56 applied to the amount included under a subsequent subdivision.

2-57 (d) The officer conducting a sale under Section 33.94, [~~or~~]  
2-58 34.01, or 34.0101 shall pay any excess proceeds after payment of all  
2-59 amounts due all participants in the sale as specified by Subsection  
2-60 (b) to the clerk of the court issuing the warrant or order of sale.

2-61 SECTION 4. Section 33.43(a), Tax Code, as amended by this  
2-62 Act, applies only to a petition initiating a suit to collect a  
2-63 delinquent property tax filed on or after the effective date of this  
2-64 Act.

2-65 SECTION 5. This Act takes effect September 1, 2023.

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