

AN ACT

relating to certain marital property agreements.

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

SECTION 1. Section 4.102, Family Code, is amended to read as follows:

Sec. 4.102. PARTITION OR EXCHANGE OF COMMUNITY PROPERTY.

At any time, the spouses may partition or exchange between themselves all or part of their community property, then existing or to be acquired, as the spouses may desire. Property or a property interest transferred to a spouse by a partition or exchange agreement becomes that spouse's separate property. The partition or exchange of property may also provide that ~~[includes]~~ future earnings and income arising from the transferred property shall be ~~[as]~~ the separate property of the owning spouse ~~[unless the spouses agree in a record that the future earnings and income will be community property after the partition or exchange]~~.

SECTION 2. Section 4.104, Family Code, is amended to read as follows:

Sec. 4.104. FORMALITIES. A partition or exchange agreement under Section 4.102 or an agreement under Section 4.103 must be in writing and signed by both parties. Either agreement is enforceable without consideration.

SECTION 3. Subchapter G, Chapter 6, Family Code, is amended by adding Section 6.604 to read as follows:

1       Sec. 6.604. INFORMAL SETTLEMENT CONFERENCE. (a) The  
2 parties to a suit for dissolution of a marriage may agree to one or  
3 more informal settlement conferences and may agree that the  
4 settlement conferences may be conducted with or without the  
5 presence of the parties' attorneys, if any.

6       (b) A written settlement agreement reached at an informal  
7 settlement conference is binding on the parties if the agreement:

8           (1) provides, in a prominently displayed statement  
9 that is in boldfaced type or in capital letters or underlined, that  
10 the agreement is not subject to revocation;

11           (2) is signed by each party to the agreement; and

12           (3) is signed by the party's attorney, if any, who is  
13 present at the time the agreement is signed.

14       (c) If a written settlement agreement meets the  
15 requirements of Subsection (b), a party is entitled to judgment on  
16 the settlement agreement notwithstanding Rule 11, Texas Rules of  
17 Civil Procedure, or another rule of law.

18       (d) If the court finds that the terms of the written  
19 informal settlement agreement are just and right, those terms are  
20 binding on the court. If the court approves the agreement, the  
21 court may set forth the agreement in full or incorporate the  
22 agreement by reference in the final decree.

23       (e) If the court finds that the terms of the written  
24 informal settlement agreement are not just and right, the court may  
25 request the parties to submit a revised agreement or set the case  
26 for a contested hearing.

27       SECTION 4. The changes in law made by this Act to Sections

H.B. No. 202

1 4.102 and 4.104, Family Code, apply only to agreements made on or  
2 after the effective date of this Act. An agreement made before the  
3 effective date of this Act is governed by the law in effect on the  
4 date the agreement was made, and the former law is continued in  
5 effect for that purpose.

6 SECTION 5. This Act takes effect September 1, 2005.

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I certify that H.B. No. 202 was passed by the House on April 14, 2005, by a non-record vote; and that the House concurred in Senate amendments to H.B. No. 202 on May 19, 2005, by a non-record vote.

\_\_\_\_\_  
Chief Clerk of the House

I certify that H.B. No. 202 was passed by the Senate, with amendments, on May 17, 2005, by the following vote: Yeas 31, Nays 0.

\_\_\_\_\_  
Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

\_\_\_\_\_  
Governor