

BILL ANALYSIS

C.S.H.B. 1733
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Business & Industry
Committee Report (Substituted)

BACKGROUND AND PURPOSE

In 2006, the Texas Supreme Court rendered a ruling that prevents individuals from claiming a habitable boat as a principal residence or homestead. This decision prohibiting homestead protections for habitable boats would expose the property to seizure for bankruptcy. The justices claimed that, in order for a homestead exemption, a place of residence had to sit on dry land. The boat owners in the case example claimed that the vessel, as a four bedroom, three bathroom home complete with plumbing and utilities, should be considered their primary residence. The Texas property code does not expressly exclude boats but it defines homesteads as sitting on dry land.

C.S.H.B. 1733 defines that a structure not affixed to land that is designed for human residence as the claimed principal residence is a homestead.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 1733 amends the Texas Property Code to define that a structure not affixed to land, including a manufactured home or a house boat, that is designed for human residence and is occupied as the claimant's principal residence is a homestead.

EFFECTIVE DATE

January 1, 2008, if the constitutional amendment proposed by the 80th Legislature, Regular Session, 2007, providing that certain structures not affixed to land be considered homesteads protected from certain types of forced sale is approved by the voters.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The difference between the original bill and the committee substitute is the change of the term "mobile" home to "manufactured" home.