

BILL ANALYSIS

H.B. 1853

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Land & Resource Management
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Statutes governing both the requirements and procedures for contracts for deed and for notices that sellers of real estate must deliver to buyers are found throughout the Texas Codes. The location for contracts for deed are mostly in the Property Code and the Finance Code, while notices to buyers are usually located wherever the subject matter of the notice is found. Some of the statutes specifically, or by location in a broader statute, exempt the Veterans' Land Board (VLB) and Permanent School Fund (PSF) transactions. Other statutes do not exclude VLB or PSF transactions.

The purpose of H.B. 1853 is to create some uniformity for the Texas General Land Office, the School Land Board (SLB), and the VLB regarding those statutes concerning notices that sellers of real estate must deliver to buyers.

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

SECTION 1. *Amends Subchapter A, Chapter 31, Natural Resources Code, by adding Section 31.002, as follows:*

Titles the new Section 31.002 EXEMPTION FROM CERTAIN REAL ESTATE TRANSACTION LAWS.

The new Section 31.002 provides that certain listed types of statutes do not apply to the General Land Office (GLO) unless the statute specifically states that the statute applies to the GLO. The two types of statutes that are listed in this new section are a statute that would require the GLO to provide a notice or disclosure to a buyer of real property and a statute relating to the sale, purchase, or financing of real property by an executory contract, including a contract for deed or other similar sale. The new Section 31.002 also provides that the section does not affect the application of a statute described by Subsection (a)(2) (a statute relating to the sale, purchase, or financing of real property by an executory contract, including a contract for deed or other similar sale) to a party involved in a transaction with the GLO.

SECTION 2. *Amends Subchapter D, Chapter 32, Natural Resources Code, by adding Section 32.113, as follows:*

Titles the new Section 32.113 EXEMPTION FROM CERTAIN REAL ESTATE TRANSACTION LAWS.

The new Section 32.113 provides that certain listed types of statutes do not apply to the SLB unless the statute specifically states that the statute applies to the SLB. The two types of statutes that are listed in this new section are a statute that would require the SLB to provide a notice or disclosure to a buyer of real property and a statute relating to the sale,

purchase, or financing of real property by an executory contract, including a contract for deed or other similar sale. The new Section 32.113 also provides that the section does not affect the application of a statute described by Subsection (a)(2) (a statute relating to the sale, purchase, or financing of real property by an executory contract, including a contract for deed or other similar sale) to a party involved in a transaction with the SLB.

SECTION 3. *Amends Subchapter F, Chapter 161, Natural Resources Code, by adding Section 161.237, as follows:*

Titles the new Section 161.237 EXEMPTION FROM CERTAIN REAL ESTATE TRANSACTION LAWS.

The new Section 161.237 provides that certain listed types of statutes do not apply to the VLB unless the statute specifically states that the statute applies to the VLB. The two types of statutes that are listed in this new section are a statute that would require the VLB to provide a notice or disclosure to a buyer of real property and a statute relating to the sale, purchase, or financing of real property by an executory contract, including a contract for deed or other similar sale. The new Section 32.113 also provides that the section does not affect the application of a statute described by Subsection (a)(2) (a statute relating to the sale, purchase, or financing of real property by an executory contract, including a contract for deed or other similar sale) to a party involved in a transaction with the VLB.

SECTION 4. Effective Date (upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007).

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.