

BILL ANALYSIS

H.B. 2436
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Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Homestead exemptions provide significant financial savings for homeowners. New home buyers can be informed about information and applications for these exemptions at closing.

Settlement agents who conduct closing paperwork on various residential property sales will be required to provide information on exemptions for which the buyer qualifies.

If the settlement agent fills out the form, they will not be held liable if any errors are found in the completed form. Settlement agents assisting with informing and providing information will not be required to fill out the form for the applicant.

HB 2436 requires settlement agents to inform purchasers of single-family residences of the procedures to apply for homestead exemptions.

RULEMAKING AUTHORITY

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

ANALYSIS

A settlement agent will provide to the buyer a form for each appraisal district in which the property is located, describe the type of residence homestead exemption available, give instructions on how to file an application, disclose location, mailing and physical address of each appraisal district where the property is located, and inform about application deadlines required by appraisal districts.

A protection is provided for the agent that states there is no liability for errors on forms filled out by the agent or other information.

This Act takes effect September 1, 2007.

EFFECTIVE DATE

September 1, 2007.