

## **BILL ANALYSIS**

C.S.H.B. 2450  
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Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Many citizens affected by a natural disaster cannot locate title documents or lack clear title to their homes. The House Select Committee on Hurricane Ike Devastation to the Texas Gulf Coast recommended changes at the Texas Department of Housing and Community Affairs for counties that have received a state disaster declaration. Rather than requiring property owners to go through a title clearing process that averages two years, the committee recommended that the legislature consider an additional process to establish home ownership after a disaster to include using an affidavit of heirship, tax receipts, etc.

C.S.H.B. 2450 requires the Texas Department of Housing and Community Affairs to process an application for federal housing assistance following a disaster as if the applicant is the record title holder of the affected real property if the applicant provides an affidavit summarizing the basis on which the applicant claims to be the holder of record title and provides other documentation, including tax receipts, utility bills, or evidence of insurance for the home that indicates that the applicant exercised ownership over the property at the time of the natural disaster.

### **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. 2450 amends the Government Code to authorize an applicant for federally provided financial assistance administered by the Texas Department of Housing and Community Affairs (TDHCA) to repair or rebuild a home damaged by a natural disaster to establish ownership of the home through nontraditional documentation of title. The bill requires TDHCA to process an application for that assistance as if the applicant is the record title holder of the affected real property if the applicant provides to TDHCA, on a form prescribed by TDHCA, an affidavit summarizing the basis on which the applicant claims to be the holder of record title or, if applicable, a successor in interest to the holder of record title and stating that no other person is entitled to claim any ownership interest in the property, or that each person who may be entitled to claim an ownership interest in the property has given consent to the application or cannot be located after a reasonable effort, and other documentation, including tax receipts, utility bills, or evidence of insurance for the home, that indicates that the applicant exercised ownership over the property at the time of the natural disaster.

C.S.H.B. 2450 specifies that its provisions do not establish record ownership or otherwise alter legal ownership of real property, and that TDHCA is not liable to any claimed owner of an interest in real property for administering financial assistance as permitted by the bill's provisions.

**EFFECTIVE DATE**

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.

**COMPARISON OF ORIGINAL AND SUBSTITUTE**

C.S.H.B. 2450 differs from the original to require the Texas Department of Housing and Community Affairs (TDHCA) to process an application for federal housing assistance following a disaster as if the applicant is the record title holder of the affected real property if the applicant provides an affidavit summarizing the basis on which the applicant claims to be the holder of record title and provides other documentation, including tax receipts, utility bills, or evidence of insurance for the home, whereas the original requires TDHCA to adopt rules to allow such an applicant to establish home ownership through an affidavit of heirship, tax receipts, electric bills, or evidence of insurance for the home. The substitute removes provisions in the original that set forth specific requirements and prohibitions of the rules to be adopted by TDHCA. The substitute adds provisions not in the original to establish that the bill's provisions do not establish record ownership or otherwise alter legal ownership of real property and that TDHCA is not liable to any claimed owner of an interest in real property for administering financial assistance as permitted by the bill's provisions.