

By: Hilderbran

H.B. No. 3834

A BILL TO BE ENTITLED

1 AN ACT

2 relating to requiring the seller of certain real property to
3 provide notice regarding the purchaser's duty to register water
4 wells located or drilled on the property.

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

6 SECTION 1. Subchapter A, Chapter 5, Property Code, is
7 amended by adding Section 5.0141 to read as follows:

8 Sec. 5.0141. NOTICE OF OBLIGATION TO REGISTER WATER WELLS.

9 (a) A seller of real property that is located in a groundwater
10 conservation district established under Chapter 36, Water Code, and
11 that is larger than one acre shall give to the purchaser of the
12 property a written notice that reads substantially similar to the
13 following:

14 NOTICE OF OBLIGATION TO REGISTER WATER WELLS WITH THE (name of
15 groundwater conservation district)

16 As a purchaser of this parcel of real property you are
17 obligated to register all existing water wells located on the
18 property and all water wells drilled on the property after the
19 purchase of this parcel with the (name of groundwater conservation
20 district) as provided by Sections 36.111, 36.112, and 36.117(h)(1),
21 Water Code.

22 Your failure to register water wells located or drilled on
23 the property with the (name of groundwater conservation district)
24 may be a violation of the district's rules or illegal drainage and

1 may result in an action for damages as provided by Section 36.119,
2 Water Code.

3 Date: _____ _____

4 Signature of Purchaser

5 (b) The seller shall deliver the notice required by
6 Subsection (a) to the purchaser before the effective date of an
7 executory contract binding the purchaser to purchase the
8 property. The notice may be given separately, as part of the
9 contract during negotiations, or as part of any other notice the
10 seller delivers to the purchaser. If the notice is included as
11 part of the executory contract or another notice, the title of the
12 notice prescribed by Subsection (a) and the purchaser's signature
13 on the notice may be omitted.

14 (c) This section does not apply to a transfer:

15 (1) to a mortgagee by a mortgagor or successor in
16 interest or to a beneficiary of a deed of trust by a trustor or
17 successor in interest;

18 (2) by a mortgagee or a beneficiary under a deed of
19 trust who has acquired the land at a sale conducted under a power of
20 sale under a deed of trust or a sale under a court-ordered
21 foreclosure or has acquired the land by a deed in lieu of
22 foreclosure;

23 (3) by a fiduciary in the course of the administration
24 of a decedent's estate, guardianship, conservatorship, or trust;

25 (4) from one co-owner to another co-owner of an
26 undivided interest in the real property;

27 (5) to a spouse or a person in the lineal line of

1 consanguinity of the seller; or
2 (6) of only a mineral interest, leasehold interest, or
3 security interest.

4 SECTION 2. (a) The change in law made by this Act applies
5 only to a transfer of property that occurs on or after the effective
6 date of this Act. For purposes of this section, a transfer of
7 property occurs before the effective date of this Act if the
8 executory contract binding the purchaser to purchase the property
9 is executed before that date.

10 (b) A transfer of property before the effective date of this
11 Act is governed by the law in effect immediately before the
12 effective date of this Act, and that law is continued in effect for
13 that purpose.

14 SECTION 3. This Act takes effect September 1, 2009.