

By: Darby, Deshotel

H.B. No. 4219

Substitute the following for H.B. No. 4219:

By: Turner of Harris

C.S.H.B. No. 4219

A BILL TO BE ENTITLED

AN ACT

relating to the prohibition of a fee associated with the transfer of  
real property.

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

SECTION 1. Section 5.017(b), Property Code, is amended to  
read as follows:

(b) A deed restriction or other covenant running with the  
land applicable to the conveyance of [~~residential~~] real property  
that requires a transferor or a transferee of residential real  
property or the transferee's heirs, successors, or assigns to pay a  
declarant or other person imposing the deed restriction or covenant  
on the property or a third party designated by a transferor of the  
property a fee in connection with any [~~a future~~] transfer of the  
property is prohibited. A deed restriction or other covenant  
running with the land that violates this section or a lien  
purporting to encumber the land to secure a right under a deed  
restriction or other covenant running with the land that violates  
this section is void and unenforceable. For purposes of this  
section, a conveyance of real property includes a conveyance or  
other transfer of an interest or estate in residential real  
property.

SECTION 2. This Act takes effect immediately if it receives  
a vote of two-thirds of all the members elected to each house, as  
provided by Section 39, Article III, Texas Constitution. If this

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1 Act does not receive the vote necessary for immediate effect, this

2 Act takes effect September 1, 2009.