

By: Villalba

H.B. No. 1588

A BILL TO BE ENTITLED

AN ACT

relating to the administrative determination of title to certain timeshare properties.

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

SECTION 1. Subchapter H, Chapter 221, Property Code, is amended by adding Section 221.078 to read as follows:

Sec. 221.078. ADMINISTRATIVE REMOVAL OF CLOUD OF TITLE.

(a) A purchaser may petition the General Land Office to determine ownership of timeshare property for which the purchaser asserts a developer has issued overlapping timeshare interests.

(b) After receipt of the petition, the General Land Office shall provide notice of the hearing by certified mail to any other purchasers of the timeshare property. All costs of providing notice shall be borne by the petitioner. Notice shall be provided not later than the 30th day before the hearing date. If the address or identity of any purchaser is unknown, notice may be provided by publication in a newspaper in the county in which the timeshare property is located once each week for four consecutive weeks, with the final publication occurring not later than the 30th day before the date on which the hearing is scheduled. The publication must contain:

(1) a general description of the property involved;

(2) the county in which the property is located;

(3) the interest of the purchaser whose address or

1 identity is unknown; and

2 (4) the name and address of the petitioning purchaser.

3 (c) After the hearing, the General Land Office shall issue
4 an order determining the timeshare property's title.

5 (d) An order issued under Subsection (c) becomes final and
6 unappealable on the 30th day after the date on which the order is
7 issued unless before that day the petitioning purchaser or another
8 person affected by the order appeals the order to the district court
9 of the county where the timeshare property is located. An appeal
10 under this subsection is by trial de novo. A final order under this
11 section may be recorded.

12 (e) This section applies only to a timeshare property:

13 (1) whose association does not have any active banking
14 accounts with which to conduct association business;

15 (2) whose purchasers have paid no association fees,
16 dues, or charges for at least three years;

17 (3) subject to Chapter 81; and

18 (4) located in a first tier coastal county, as that
19 term is defined in Section 2210.003, Insurance Code.

20 (f) The General Land Office shall adopt rules to implement
21 this section.

22 SECTION 2. The General Land Office shall adopt rules under
23 Section 221.078, Property Code, as added by this Act, as soon as
24 practicable after the effective date of this Act.

25 SECTION 3. This Act takes effect September 1, 2015.