

By: Creighton

S.B. No. 974

A BILL TO BE ENTITLED

AN ACT

relating to option contracts to acquire real property for high-speed rail projects.

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

SECTION 1. Subchapter B, Chapter 112, Transportation Code, is amended by adding Section 112.063 to read as follows:

Sec. 112.063. REAL PROPERTY OPTION CONTRACTS FOR HIGH-SPEED RAIL VOID ON BANKRUPTCY. (a) In this section, "high-speed rail" means intercity passenger service that is reasonably expected to reach speeds of at least 110 miles per hour.

(b) On the filing of a bankruptcy petition by or against a railroad company, an option contract held by the company to acquire real property for a high-speed rail project is void.

SECTION 2. Section 112.063, Transportation Code, as added by this Act, applies only to an option contract entered into on or after the effective date of this Act.

SECTION 3. This Act takes effect September 1, 2017.