

By: Bettencourt

S.B. No. 1361

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to the public resale by means of a public auction using  
3 online bidding and sale of property purchased by a taxing unit at an  
4 ad valorem tax sale.

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

6 SECTION 1. Section 34.05(d), Tax Code, is amended to read as  
7 follows:

8 (d) Except as provided by this subsection, all public sales  
9 requested as provided by Subsection (c) must ~~[shall]~~ be conducted  
10 in the manner prescribed by the Texas Rules of Civil Procedure for  
11 the sale of property under execution or, if directed by the  
12 commissioners court of the county, in accordance with Section  
13 34.01(a-1) and the rules adopted under that section providing for  
14 public auction using online bidding and sale. The notice of the sale  
15 must contain a description of the property to be sold, the number  
16 and style of the suit under which the property was sold at the tax  
17 foreclosure sale, and the date of the tax foreclosure sale. The  
18 description of the property in the notice is sufficient if it is  
19 stated in the manner provided by Section 34.01(f). If the  
20 commissioners court of a county by order specifies the date or time  
21 at which or location in the county where a public sale requested  
22 under Subsection (c) shall be conducted, the sale shall be  
23 conducted on the date and at the time and location specified in the  
24 order. The acceptance of a bid by the officer conducting the sale is

1 conclusive and binding on the question of its sufficiency. An  
2 action to set aside the sale on the grounds that the bid is  
3 insufficient may not be sustained in court, except that a taxing  
4 unit that participates in distribution of proceeds of the sale may  
5 file an action before the first anniversary of the date of the sale  
6 to set aside the sale on the grounds of fraud or collusion between  
7 the officer making the sale and the purchaser. On conclusion of the  
8 sale, the officer making the sale shall prepare a deed to the  
9 purchaser. The taxing unit that requested the sale may elect to  
10 prepare a deed for execution by the officer. If the taxing unit  
11 prepares the deed, the officer shall execute that deed. An officer  
12 who executes a deed prepared by the taxing unit is not responsible  
13 or liable for any inconsistency, error, or other defect in the form  
14 of the deed. As soon as practicable after a deed is executed by the  
15 officer, the officer shall either file the deed for recording with  
16 the county clerk or deliver the executed deed to the taxing unit  
17 that requested the sale, which shall file the deed for recording  
18 with the county clerk. The county clerk shall file and record each  
19 deed under this subsection and after recording shall return the  
20 deed to the grantee.

21 SECTION 2. This Act takes effect immediately if it receives  
22 a vote of two-thirds of all the members elected to each house, as  
23 provided by Section 39, Article III, Texas Constitution. If this  
24 Act does not receive the vote necessary for immediate effect, this  
25 Act takes effect September 1, 2019.