## **BILL ANALYSIS**

Senate Research Center 87R1649 BEE-D

S.B. 30 By: West et al. State Affairs 3/12/2021 As Filed

## **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

In thousands of real property deeds across the state, there are racist restrictions barring families of color from moving into these homes. Although these racially restrictive provisions are no longer enforceable, they are still a reminder of the systemic and segregationist housing practices that limited the upward mobility of millions of people of color.

Currently, there is no across-the-board mechanism for removing these types of racist restrictions from property records.

S.B. 30 allows for these restrictions to be removed from real property records through the county clerk's office of the county the real property is located in.

- After requesting through a form the provisions be removed, the county clerk has 30 days to determine whether the restriction is void under Section 5.026(a) of the Property Code.
- If void, the restriction will be removed. If not, the requestor will be notified by the county clerk.
- S.B. 30 requires the attorney general to develop the form required for the county clerk offices.
- S.B. 30 also requires all county clerks to make this form available on their websites.

As proposed, S.B. 30 amends current law relating to the removal of certain discriminatory restrictions and provisions from certain real property records.

## **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

## **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter B, Chapter 5, Property Code, by adding Section 5.0265, as follows:

Sec. 5.0265. REMOVAL OF DISCRIMINATORY RESTRICTIONS OR PROVISIONS FROM CERTAIN REAL PROPERTY RECORDS. (a) Provides that to the extent of any conflict between this section and other law, this section prevails.

- (b) Authorizes an owner of real property or an interest in real property to request, on a form developed under Subsection (d), that the county clerk of a county in which all or part of the property is located:
  - (1) remove from any instrument recorded in the county's real property records a restriction, whether express or incorporated by reference, that affects the property and that is void under Section 5.026(a) (relating to rendering discriminatory property restrictions and provisions void); or

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- (2) remove from the deed that conveyed the property or the interest in the property a provision, whether express or incorporated by reference, that is void under Section 5.026(a).
- (c) Requires the county clerk, not later than the 30th day after the date a county clerk receives a request under Subsection (b), to determine whether the restriction or provision identified in the request is void under Section 5.026(a) and:
  - (1) if the county clerk determines the restriction or provision identified in the request is void under Section 5.026(a), remove the restriction from the instrument or the provision from the deed, as applicable, and attach to the instrument or deed, as applicable, a document stating that a restriction or provision void under Section 5.026 (Discriminatory Provisions) has been removed from the instrument or deed; or
  - (2) if the county clerk determines the restriction or provision identified in the request is not void under Section 5.026(a), notify the person who submitted the request that the restriction or provision has not been removed.
- (d) Requires the attorney general to develop the form required by Subsection (b). Requires that the form allow the person requesting the removal of a restriction or provision under this section to provide:
  - (1) the name of the owner of the property or interest in the property that is the subject of the request;
  - (2) a description of the property sufficient for a county clerk to identify the recorded instrument or deed that is the subject of the request, including the address of the property, if any; and
  - (3) the restriction or provision the owner believes is void under Section 5.026(a).
- (e) Requires each county clerk to make the form developed under Subsection (d) available on the county clerk's Internet website.
- SECTION 2. Requires the Office of the Attorney General, not later than December 1, 2021, to develop and make available to each county clerk the form required by Section 5.0265(d), Property Code, as added by this Act.
- SECTION 3. (a) Effective date, except as provided by Subsection (b) of this section: January 1, 2022.
  - (b) Effective date, Section 2 of this Act: September 1, 2021.

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