By:  King of Uvalde (Senate Sponsor - Zaffirini) H.B. No. 4429

(In the Senate - Received from the House May 10, 2021; May 12, 2021, read first time and referred to Committee on Local Government; May 22, 2021, reported favorably by the following vote: Yeas 7, Nays 0; May 22, 2021, sent to printer.)

COMMITTEE VOTE

                 Yea Nay Absent  PNV

Bettencourt       X

Menéndez          X

Eckhardt          X

Gutierrez                  X

Hall              X

Nichols           X

Paxton                     X

Springer          X

Zaffirini         X

A BILL TO BE ENTITLED

AN ACT

relating to notice of water and wastewater requirements for the foreclosure sale of residential properties by certain political subdivisions.

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

SECTION 1.  Sections 232.0315(a) and (b), Local Government Code, are amended to read as follows:

(a)  This section applies only to a political subdivision [~~county~~] that sells:

(1)  under Section 34.01, Tax Code, real property presumed to be for residential use under Section 232.022; or

(2)  under Section 3, Part VI, Texas Rules of Civil Procedure, and Chapter 34, Civil Practice and Remedies Code, real property presumed to be for residential use under Section 232.022, taken by virtue of a writ of execution.

(b)  A political subdivision [~~county~~] shall include in the public notice of sale of the property and the deed conveying the property a statement substantially similar to the following:

"THIS SALE IS BEING CONDUCTED PURSUANT TO STATUTORY OR JUDICIAL REQUIREMENTS. BIDDERS WILL BID ON THE RIGHTS, TITLE, AND INTERESTS, IF ANY, IN THE REAL PROPERTY OFFERED.

"THE PROPERTY IS SOLD AS IS, WHERE IS, AND WITHOUT ANY WARRANTY, EITHER EXPRESS OR IMPLIED. NEITHER THE COUNTY NOR THE SHERIFF'S DEPARTMENT WARRANTS OR MAKES ANY REPRESENTATIONS ABOUT THE PROPERTY'S TITLE, CONDITION, HABITABILITY, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. BUYERS ASSUME ALL RISKS.

"IN SOME SITUATIONS, A LOT OF FIVE ACRES OR LESS IS PRESUMED TO BE INTENDED FOR RESIDENTIAL USE. HOWEVER, IF THE PROPERTY LACKS WATER OR WASTEWATER SERVICE, THE PROPERTY MAY NOT QUALIFY FOR RESIDENTIAL USE. A POTENTIAL BUYER WHO WOULD LIKE MORE INFORMATION SHOULD MAKE ADDITIONAL INQUIRIES OR CONSULT WITH PRIVATE COUNSEL."

SECTION 2.  Section 34.01(e), Tax Code, is amended to read as follows:

(e)  A notice of sale under Subsection (c) must substantially comply with this subsection. The notice must include:

(1)  a statement of the authority under which the sale is to be made;

(2)  the date, time, and location of the sale; [~~and~~]

(3)  a brief description of the property to be sold; and

(4)  the statement required by Section 232.0315, Local Government Code, if the real property subject to the sale is located in a county subject to Chapter 232 of that code and is presumed to be for residential use under Section 232.022 of that code.

SECTION 3.  The changes in law made by this Act apply only to a sale for which public notice is required on or after the effective date of this Act. A sale for which public notice is required before the effective date of this Act is covered by the law in effect when the public notice was provided, and the former law is continued in effect for that purpose.

SECTION 4.  This Act takes effect September 1, 2021.

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