

By: Cyrier

H.B. No. 4374

A BILL TO BE ENTITLED

AN ACT

relating to the use of executory contracts for the purchase of land to be used as a residence in certain counties.

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

SECTION 1. Subchapter D, Chapter 5, Property Code, is amended by adding Section 5.0622 to read as follows:

Sec. 5.0622. ADDITIONAL APPLICABILITY: CERTAIN COUNTIES.

(a) This section applies only to a county with a population of less than 100,000 that is located in a metropolitan statistical area as defined by the federal Office of Management and Budget:

(1) with a population of more than 1.5 million; and

(2) adjacent to a different metropolitan statistical area as defined by the federal Office of Management and Budget with a population of more than 2 million.

(b) The commissioners court of a county may adopt an order requiring an executory contract for the conveyance of land used or to be used as a residence located in the county to be subject to this subchapter. The order must specify a method for determining whether the land is used or to be used as a residence.

(c) The order may not include an executory contract for the conveyance of land:

(1) described by Section 5.062(d); or

(2) that is to be used primarily for agricultural use, as defined by Section 1-d, Article VIII, Texas Constitution, or for

1 farm, ranch, wildlife management, or timber production use within
2 the meaning of Section 1-d-1, Article VIII, Texas Constitution, and
3 for which no part of the land is to be used as a residence.

4 (d) If a tract described by Subsection (c)(2) ceases to be
5 used primarily for agricultural use or for farm, ranch, wildlife
6 management, or timber production use, or any part of the land is
7 used as a residence, the executory contract for the conveyance of
8 the land may be included in an order authorized by this section.

9 SECTION 2. Subchapter D, Chapter 5, Property Code, is
10 amended by adding Section 5.087 to read as follows:

11 Sec. 5.087. ADDITIONAL PROVISIONS: CERTAIN COUNTIES. (a)
12 This section applies only to a county adopting an order under
13 Section 5.0622.

14 (b) The commissioners court may not modify the provisions of
15 this subchapter except the commissioners court may provide in the
16 order that:

17 (1) an executory contract to which the order applies
18 may not be used to purchase land unless the land meets a minimum
19 frontage requirement on a public road or a private road as specified
20 in the order; and

21 (2) the conversion authorized by Section 5.081 is
22 required to occur not later than three years after the date the
23 executory contract is entered into.

24 SECTION 3. Sections 5.0622 and 5.087, Property Code, as
25 added by this Act, apply only to an executory contract entered into
26 on or after the date the commissioners court adopts an order
27 authorized by this Act.

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