

# SENATE AMENDMENTS

## 2<sup>nd</sup> Printing

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.

ADOPTED

MAY 27 2021

By: Zuffrini

H.B. No. 4374

Substitute the following for \_\_\_\_\_.B. No. \_\_\_\_\_:

*Lacey Law*  
Secretary of the Senate

By: [Signature]

C.S. \_\_\_\_\_.B. No. \_\_\_\_\_

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(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(b), (c), or (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 an executory contract to which the order applies may not  
17 be used to purchase land for residential purposes unless the  
18 conversion authorized by Section 5.081 is required to occur not  
19 later than three years after the date the executory contract is  
20 entered into.

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

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

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION**

**May 27, 2021**

**TO:** Honorable Dade Phelan, Speaker of the House, House of Representatives

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB4374** by Cyrier (Relating to the use of executory contracts for the purchase of land to be used as a residence in certain counties.), **As Passed 2nd House**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

According to the Texas Association of Counties, no significant fiscal impact to counties is anticipated.

**Source Agencies:**

**LBB Staff:** JMc, CMA, AF, BC, DPE, AJL

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION**

**May 21, 2021**

**TO:** Honorable Paul Bettencourt, Chair, Senate Committee on Local Government

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE:** HB4374 by Cyrier (Relating to the use of executory contracts for the purchase of land to be used as a residence in certain counties.), **Committee Report 2nd House, Substituted**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

According to the Texas Association of Counties, no significant fiscal impact to counties is anticipated.

**Source Agencies:**

**LBB Staff:** JMc, AF, BC, DPE, AJL

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION**

**May 16, 2021**

**TO:** Honorable Paul Bettencourt, Chair, Senate Committee on Local Government

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB4374** by Cyrier (Relating to the use of executory contracts for the purchase of land to be used as a residence in certain counties.), **As Engrossed**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

According to the Texas Association of Counties, no significant fiscal impact to counties is anticipated.

**Source Agencies:**

**LBB Staff:** JMc, AF, DPE, AJL, BC



**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION**

**May 3, 2021**

**TO:** Honorable Joe Deshotel, Chair, House Committee on Land & Resource Management

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE:** **HB4374** by Cyrier (Relating to the use of executory contracts for the purchase of land to be used as a residence in certain counties.), **Committee Report 1st House, Substituted**

<b>No fiscal implication to the State is anticipated.</b>
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**Local Government Impact**

According to the Texas Association of Counties, no significant fiscal impact to counties is anticipated.

**Source Agencies:**

**LBB Staff:** JMc, AJL, BC, DPE

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION**

**April 19, 2021**

**TO:** Honorable Joe Deshotel, Chair, House Committee on Land & Resource Management

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE:** **HB4374** by Cyrier (Relating to the use of executory contracts for the purchase of land to be used as a residence in certain counties.), **As Introduced**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

According to the Texas Association of Counties, no significant fiscal impact to counties is anticipated.

**Source Agencies:**

**LBB Staff:** JMc, AJL, BC, DPE