

By: Oliverson

H.B. No. 178

A BILL TO BE ENTITLED

AN ACT

relating to verification of identity and employment authorization in connection with certain contracts for or concerning the conveyance of residential real property and residential leases.

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

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

SUBCHAPTER I. REQUIREMENT TO VERIFY IDENTITY AND EMPLOYMENT

AUTHORIZATION FOR CERTAIN RESIDENTIAL REAL PROPERTY TRANSACTIONS

Sec. 5.301. DEFINITIONS. In this subchapter:

(1) "Commercial real property" means real property that is held or used for the production of income, including industrial real property.

(2) "Employment authorization" means a citizenship or immigration status that provides the right to work in the United States as established for purposes of 8 C.F.R. Section 274a.2.

(3) "Residential real property" means real property that is improved and is designed principally for residential occupancy or vacant land that may be improved for that purpose. The term includes an individual unit of a condominium or cooperative. The term does not include commercial real property.

Sec. 5.302. APPLICABILITY OF SUBCHAPTER. This subchapter applies only to a contract for or concerning the conveyance of residential real property with respect to which the seller:

1 (1) enters into an executory contract for conveyance
2 of the property that allows the purchaser to take immediate
3 possession of the property and make periodic payments toward the
4 purchase price before the deed is delivered to the purchaser;

5 (2) grants a potential purchaser an option to purchase
6 the property that includes or is combined or executed concurrently
7 with a residential lease agreement; or

8 (3) provides a mortgage loan to an individual to
9 purchase the property.

10 Sec. 5.303. EVIDENCE OF IDENTITY AND EMPLOYMENT
11 AUTHORIZATION REQUIRED FOR CERTAIN RESIDENTIAL REAL PROPERTY
12 TRANSACTIONS. (a) A seller may not enter into a contract for or
13 concerning the conveyance of residential real property to which
14 this subchapter applies unless the seller requires the purchaser or
15 potential purchaser to:

16 (1) attest to the purchaser's or potential purchaser's
17 employment authorization; and

18 (2) provide to the property owner evidence of the
19 purchaser's or potential purchaser's identity and employment
20 authorization.

21 (b) A seller shall obtain the attestation required under
22 Subsection (a)(1) and record details of the evidence provided under
23 Subsection (a)(2) on a form similar to Form I-9 as provided by 8
24 C.F.R. Section 274a.2.

25 Sec. 5.304. CONTRACT OR CONVEYANCE VOID IN CASE OF
26 VIOLATION. A contract entered into in violation of Section 5.303
27 and any conveyance made under that contract is void.

1 SECTION 2. Subchapter A, Chapter 92, Property Code, is
2 amended by adding Section 92.027 to read as follows:

3 Sec. 92.027. EVIDENCE OF IDENTITY AND EMPLOYMENT
4 AUTHORIZATION REQUIRED FOR LEASE. (a) In this section,
5 "employment authorization" means a citizenship or immigration
6 status that provides the right to work in the United States as
7 established for purposes of 8 C.F.R. Section 274a.2.

8 (b) A landlord may not enter into a lease of residential
9 rental property unless the landlord requires the tenant to:

10 (1) attest to the tenant's employment authorization;
11 and

12 (2) provide to the landlord evidence of the tenant's
13 identity and employment authorization.

14 (c) A landlord shall obtain the attestation required under
15 Subsection (b)(1) and record details of the evidence provided under
16 Subsection (b)(2) on a form similar to Form I-9 as provided by 8
17 C.F.R. Section 274a.2.

18 (d) A lease entered into in violation of this section is
19 void.

20 SECTION 3. The changes in law made by this Act apply only to
21 a contract or lease agreement entered into on or after the effective
22 date of this Act. A contract or lease agreement entered into before
23 the effective date of this Act is governed by the law in effect
24 immediately before the effective date of this Act, and that law is
25 continued in effect for that purpose.

26 SECTION 4. This Act takes effect on the 91st day after the
27 last day of the legislative session.