

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. The heading to Section 232.0315, Local Government Code, is amended to read as follows:

Sec. 232.0315. NOTICE OF WATER AND WASTEWATER REQUIREMENTS BY POLITICAL SUBDIVISIONS [~~COUNTIES~~].

SECTION 2. Sections 232.0315(a) and (b), Local Government Code, are amended to read as follows:

(a) This section applies only to a county or other political subdivision located in the 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 county or other political subdivision located in the 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

1 JUDICIAL REQUIREMENTS. BIDDERS WILL BID ON THE RIGHTS, TITLE, AND
2 INTERESTS, IF ANY, IN THE REAL PROPERTY OFFERED.

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

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

14 SECTION 3. Section 34.01(e), Tax Code, is amended to read as
15 follows:

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

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

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

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

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

27 SECTION 4. The changes in law made by this Act apply only to

1 a sale for which public notice is required on or after the effective
2 date of this Act. A sale for which public notice is required before
3 the effective date of this Act is governed by the law in effect when
4 the public notice was provided, and the former law is continued in
5 effect for that purpose.

6 SECTION 5. This Act takes effect September 1, 2023.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 59 passed the Senate on April 4, 2023, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 59 passed the House on April 28, 2023, by the following vote: Yeas 140, Nays 4, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor