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(Harris of Williamson)

S.B. No. 1979

A BILL TO BE ENTITLED

AN ACT

relating to an annual study by the Texas A&M University Texas Real Estate Research Center of the purchase and sale of single-family homes by certain institutional buyers.

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

SECTION 1. Subchapter C, Chapter 86, Education Code, is amended by adding Section 86.531 to read as follows:

Sec. 86.531. ANNUAL STUDY AND REPORT ON SINGLE-FAMILY HOME PURCHASES AND SALES BY CERTAIN INSTITUTIONAL BUYERS. (a) In this section, "institutional buyer" means a corporation, limited or general partnership, limited liability company, business trust, investment asset manager, real estate investment trust, joint venture, joint stock company, or bank that purchases or acquires for consideration 10 or more single-family homes in this state in a calendar year.

(b) Using existing available data and deed records, the center shall annually compile information related to institutional buyers' purchases and sales of single-family homes in this state for the calendar year. The information must include:

(1) the number of single-family homes purchased by each institutional buyer in the calendar year;

(2) of the single-family homes described by Subdivision (1), the number acquired through foreclosure;

(3) of the single-family homes described by

1 Subdivision (1), the number sold by each institutional buyer during
2 the same year;

3 (4) of the single-family homes described by
4 Subdivision (1), the number used as rental properties during the
5 same year;

6 (5) the city and county where each single-family home
7 described by Subdivision (1) is located and the number of homes
8 purchased in each city or county; and

9 (6) the appraised value of each single-family home
10 described by Subdivision (1).

11 (c) In addition to the information required by Subsection
12 (b), the center may compile additional information:

13 (1) at the recommendation of the legislature; or

14 (2) that the center determines is relevant based on
15 market trends.

16 (d) Not later than June 1 of each year, the center shall
17 submit a report to the lieutenant governor, the speaker of the house
18 of representatives, and each member of the legislature. The report
19 must contain:

20 (1) a summary of the information compiled under
21 Subsection (b) for the preceding calendar year; and

22 (2) an assessment of any trends or patterns relating
23 to the relative number of purchases by institutional buyers,
24 including whether the institutional buyers fall into any readily
25 observable groups based on number of purchases or other appropriate
26 criteria.

27 (e) After completing the initial report under this section,

1 the center may compile information from any calendar years
2 preceding 2023 to create and submit reports for those years that
3 include the information listed in Subsections (b) and (d).

4 SECTION 2. As soon as practicable after the effective date
5 of this Act, the Texas A&M University Texas Real Estate Research
6 Center shall take any actions necessary to prepare to implement
7 Section 86.531, Education Code, as added by this Act, and submit the
8 initial report required under Section 86.531(d), Education Code, as
9 added by this Act, not later than June 1, 2024.

10 SECTION 3. This Act takes effect September 1, 2023.