

BILL ANALYSIS

Senate Research Center
89R15661 RAL-F

H.B. 4170
By: Hayes (Hughes)
Jurisprudence
5/19/2025
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Private transfer fees are charges payable on the transfer of an interest in real property, typically to a third party who has no continued interest in the property. In 2011, the Texas Legislature enacted legislation that prohibited the enforcement of new private transfer fee obligations and established certain requirements for existing private transfer fee obligations. However, the law does not currently specify where lawsuits relating to private transfer fees must be filed. This lack of specificity can create uncertainty and potential inconsistency in venue determinations, which are particularly important in these lawsuits because private transfer fees directly impact real property rights and values. Without a clear venue provision, litigation relating to these fees might occur in counties distant from the affected property, which can cause practical difficulties for property owners who need to challenge or resolve disputes regarding these fees.

H.B. 4170 seeks to address these issues by requiring actions relating to private transfer fees, except those brought by the attorney general, to be brought in the county where the real property subject to the private transfer fee is located.

H.B. 4170 amends current law relating to venue in certain actions involving private transfer fees for real property.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter G, Chapter 5, Property Code, by adding Section 5.208, as follows:

Sec. 5.208. VENUE. Requires that an action brought under Subchapter G (Certain Private Transfer Fees Prohibited; Preservation of Private Real Property Rights), other than an action brought by the attorney general, notwithstanding any other law, be brought in the county in which the real property is located.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2025.