

BILL ANALYSIS

Senate Research Center
89R15017 JAM-D

S.B. 2764
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Local Government
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, under the Property Code, manufactured homes are considered personal property rather than real property. This, in turn, prevents manufactured home owners from receiving the same benefits that traditional homeowners receive.

In Texas Occupations Code Chapter 1201, manufactured home owners can transfer their homes from personal property to real property through a legal "change of property" process. This process is extensive, and many manufactured home owners are not aware that they have this option.

S.B. 2764 seeks to include, in the language of the bill of sale, the process to transfer a manufactured home from personal property to real property. This would give manufactured home owners access to the process of transferring their manufactured homes from personal to real property.

S.B. 2764 amends Section 1201.164 to require:

- A disclosure in the purchase contract explaining how to elect real property status and information that the election can be reversed later.
- Details on eligibility, the application process, and potential legal effects of the election.

As proposed, S.B. 2764 amends current law relating to information provided to a purchaser of a manufactured home regarding the ability to elect to treat the home as real property or personal 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 Section 1201.164, Occupations Code, by adding Subsection (c), as follows:

(c) Requires that a sales purchase contract include a disclosure regarding a purchaser's ability to elect to treat a manufactured home as real property or personal property. Requires that the disclosure required under this subsection explain:

- (1) the conditions required under Section 1201.2055(a) (relating to an application for the issuance of a statement of ownership for an owner of a manufactured home) for an owner to elect to treat a manufactured home as real property;
- (2) the effects of electing to treat a home as real property;
- (3) that the election is required to be made on the application for the issuance of a statement of ownership; and

(4) that the election is authorized to be made to convert the home from personal property to real property or from real property to personal property.

SECTION 2. Makes application of Section 1201.164(c), Occupations Code, as added by this Act, prospective.

SECTION 3. Effective date: September 1, 2025.