

## **BILL ANALYSIS**

Senate Research Center  
77R1888 SMH-D

H.B. 858  
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Intergovernmental Relations  
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Engrossed

### **DIGEST AND PURPOSE**

Current state law allows municipalities to resell tax foreclosed property. It also allows other taxing units party to a foreclosure to enter into an agreement with a municipality to sell such property for certain purposes. However, in this situation, municipalities are sometimes unable to present a clear title to the property to a purchaser. This may present a barrier to those who purchase the property; dissuade potential purchasers from attempting to buy foreclosed properties; and potentially undermine urban redevelopment efforts. House Bill 858 conveys a deed of foreclosed property to a purchaser at the time it is sold.

### **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 34.051, Tax Code, by amending Subsection (c) and adding Subsection (d), as follows:

(c) Provides that the deed of conveyance of property sold under this section conveys to the purchaser the right, title, and interest acquired or held by each taxing unit that was a party to the judgment of foreclosure, subject to any remaining right of redemption of foreclosure at the time of the sale.

(d) Created from text of existing subsection (c) with no changes in text.

SECTION 2. Effective date: upon passage or September 1, 2001.