

BILL ANALYSIS

Senate Research Center

H.B. 3834
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Natural Resources
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under current law, the seller of a single-family residence subject to a public improvement district assessment is required to give written notice to a prospective buyer of the residence at or prior to placing the residence under an executory contract for the purchase of the property. The form of notice and certain excepted transfers are provided for in statute as are the rights of a buyer who is not given the required notice.

H.B. 3834 requires the seller of real property to provide notice regarding the purchaser's duty to register water wells located or drilled on the property. This bill defines "district" to mean a groundwater conservation district to which provisions relating to groundwater conservation districts are applicable, a subsidence district governed by provisions relating to the Harris-Galveston Subsidence District, or a subsidence district established under Chapter 1045 (relating to the Fort Bend Subsidence District), Acts of the 71st Legislature, Regular Session, 1989.

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 A, Chapter 5, Property Code, by adding Section 5.0141, as follows:

Sec. 5.0141. NOTICE OF OBLIGATION TO REGISTER WATER WELLS. (a) Defines "district."

(b) Requires a seller of real property larger than one acre any part of which is located in a district to give to the purchaser of the property a written notice that includes certain text.

(c) Requires the seller to deliver the notice required by Subsection (b) to the purchaser before the effective date of an executory contract binding the purchaser to purchase the property. Authorizes that the notice be given separately, as part of the contract during negotiations, or as part of any other notice the seller delivers to the purchaser. Authorizes that the title of the notice prescribed by Subsection (b) and the purchaser's signature on the notice be omitted if the notice is included as part of the executory contract or another notice.

(d) Provides that this section does not apply to certain transfers of property.

SECTION 2. (a) Provides that the change in law made by this Act applies only to a transfer of property that occurs on or after the effective date of this Act. Provides that, for purposes of this section, a transfer of property occurs before the effective date of this Act if the executory contract binding the purchaser to purchase the property is executed before that date.

(b) Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2009.