

BILL ANALYSIS

Senate Research Center
84R17279 TJB-F

C.S.S.B. 1452
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Finance
4/9/2015
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

C.S.S.B. 1452 allows counties to hold property tax foreclosure auctions online in addition to the auctions held at the county courthouse.

Under current law, when properties are foreclosed on for nonpayment of property taxes, they are sold at foreclosure auctions generally held at the county courthouse. Harris County has a such a backlog of delinquent properties that they cannot sell all the properties in a timely fashion at the courthouse auctions. Adding online auctions to supplement the physical auctions will allow a county to provide additional information to bidders, require less staffing on the behalf of the county, and help work through the backlog of delinquent properties.

C.S.S.B. 1452 amends current law relating to the power of a commissioners court to authorize ad valorem tax sales of real property to be conducted by means of online auctions.

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 34.01, Tax Code, by adding Subsection (a-1) and amending Subsection (r), as follows:

(a-1) Authorizes the commissioners court of a county by official action to authorize the officer charged with selling property under this section to conduct a public auction using online bidding and sale. Authorizes the commissioners court to adopt rules governing online auctions authorized under this subsection. Provides that rules adopted by the commissioners court under this subsection take effect on the 90th day after the date the rules are published in the real property records of the county.

(r) Requires that a sale of real property under this section, except as provided by Subsection (a-1) and this subsection, take place at the county courthouse in the county in which the land is located.

SECTION 2. Effective date: upon passage or September 1, 2015.