



**LEGISLATIVE UPDATE:  
SIGNIFICANT BILLS OF THE 85<sup>TH</sup> TEXAS LEGISLATURE, REGULAR SESSION  
AFFECTING REAL ESTATE, LENDING  
AND OTHER COMMERCIAL MATTERS**

REAL ESTATE LEGISLATIVE AFFAIRS COMMITTEE  
REAL ESTATE, PROBATE AND TRUST LAW SECTION  
STATE BAR OF TEXAS  
FINAL REPORT

JUNE 23, 2017

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## **I. INTRODUCTION**

This is the final report of the Real Estate Legislative Affairs Committee of the Real Estate, Probate and Trust Law Section of the State Bar of Texas (“**RELACs**”). This report summarizes significant bills passed during the Regular Session of the 85<sup>TH</sup> Texas Legislature affecting real estate, mortgage lending, and other business and commercial issues of interest to Texas real estate law practitioners.

During the Session, Texans’ elected representatives introduced 6,800 bills. Among those bills, RELACs identified over 2,116 to track throughout the Session. From among the bills that were being tracked and passed, RELACs chose for inclusion in this report 100 bills that were believed would be of general interest to practitioners of Texas real estate law.

This report categorizes bill summaries by code in alphabetical order. Some bills may be broad enough in scope to justify placement under multiple codes and/or under multiple titles within a code; however, in the interest of brevity, each bill summary appears in this report only once, under the primarily affected code and title. Consequently, we encourage the reader to carefully review the entire report to ensure recognition of every bill of relevance to a particular topic.

Bill captions in this report are copied from the actual legislation. However, neither the bill caption, nor RELACs’ general summary can address all relevant aspects of each bill. Rather, this report serves only to alert the reader to each bill’s general scope and effect. The reader must choose which bills, if any, merit closer scrutiny for their potential effect on his or her practice.

## **II. EFFECTIVE DATES**

Pursuant to Section 39, Article III, of the Texas Constitution, the effective date of acts without specific effective dates (and without provisions for immediate effect) passed by the Legislature in regular session is ninety-one days after adjournment of the regular session. For the 85<sup>TH</sup> Legislature’s Regular Session this date is Monday, August 28, 2017. If, however, a bill

has a provision for immediate effect and is passed by a two-thirds majority in each of the House and Senate, then the bill becomes law immediately upon: (a) the date the Governor signs it, (b) the date the Governor files it with the Secretary of State (with neither signature, nor veto), (c) in the absence of signing or filing, the date the deadline for gubernatorial action expires, or (d) if the Governor vetoes the bill, the date the Legislature overrides the veto.

To reduce the potential for confusion and uncertainty as to effective dates, this report states the earliest effective date for each summarized bill as reported by the Texas Legislative Service on its website. Readers are advised to review these effective dates because a substantial number of bills included in this report have effective dates prior to August 28, 2017. Note as well that different portions of a bill may have different effective dates and the summaries in this report do not necessarily indicate all effective dates within a bill.

## **III. INTERNET RESOURCES**

Bills from the 85<sup>th</sup> Texas Legislature can be accessed the official website for the Texas legislature at:

<http://www.capitol.state.tx.us/>.

Additionally, this report hyperlinks each bill summary to the final, enrolled version of the bill as posted on the Texas Legislature’s website. Simply right-click on the bill number, choose “Open Hyperlink” from the drop-down menu, and the enrolled bill will appear in your web browser.

#### IV. ACKNOWLEDGMENTS

RELACs is almost entirely dependent on volunteer efforts from real estate lawyers across the State. Without these lawyers' collective efforts, this report would not be feasible.

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V. **SUMMARIES OF NEW LEGISLATION**

**BUSINESS AND COMMERCE CODE**

**Title 2. Competition and Trade Practices**

**House Bill 1470**

Relating to the public sale of real property under a power of sale in a security instrument.

*Adds Business & Commerce Code, Chapter 22, and amends various sections of Occupations Code*

Author: Villalba      Sponsor: Creighton

Details procedure for the public sale of residential real property under a power of sale in a security instrument. Allows a trustee or substitute trustee to contract with an attorney and auction company. Requires the winning bidder at the public sale – provided it is not the foreclosing mortgagee or mortgage servicer – to provide a trustee with various information. The failure to do so allows the trustee to reject the winning bid. Requires trustee to keep funds from sale in a separate account and maintain account records of deposits and disbursements. Provides for disbursement of sale proceeds and requires the trustee to make “reasonable attempts to identify and locate the persons” entitled to sale proceeds. Outlines what is considered a reasonable fee for the trustee and though the fee is earned at the sale, the fee and any reasonable actual costs are paid from funds remaining after the unpaid lien that is the cause of the foreclosure sale is paid.

**Effective Date:** September 1, 2017

**Title 9. Applicability of Law to Commercial Transactions**

**Senate Bill 807**

Relating to choice of law and venue for certain construction contracts.

*Amends Business & Commerce Code, Chapter 272, various sections*

Author: Creighton      Sponsor: Workman

Defines “construction contract.” Provides that a provision in a construction contract affecting real property in Texas that stipulates the laws of another State apply to any dispute is “voidable by a party obligated by the contract or agreement to perform the work that is the subject of the construction contract.” Carves out and does not apply to construction contracts (1) resulting from a partnership; (2) existing because of a loan with the party’s performance of the work based on an agreement with the lender; or (3) where work is related to the management of real property.

**Effective Date:** September 1, 2017

**BUSINESS ORGANIZATIONS CODE**

**Title 1. General Provisions**

**House Bill 2856**

Relating to names of domestic and foreign filing entities for transacting business in this state.

*Amends Business Organizations Code, Sections 1.002, 5.002, 5.053, 5.102, 5.153, 9.105, 11.203*

Author: Villalba      Sponsor: Estes

Changes the requirement that entity filing names (for corporations, LLCs, etc.) and foreign entity filing names and fictitious names may not be the “same as,” “deceptively similar to,” or “similar to,” the name of other such entities, to the concept that a name must be “distinguishable” in the records of the Secretary of State from other entity names in its records.

**Effective Date:** June 1, 2018

**Title 2. Corporations**

**Senate Bill 1518**

Relating to corporations, associations, real estate investment trusts, and related entities; authorizing fees.

*Adds Business Organizations Code, Section 6.157; Amends Business Organizations Code, Section 21.218(b)*

Author: Hancock      Sponsor: Oliveira

Provides procedures for voting of “jointly held ownership interests” (ownership interests held of record in the names of two or more persons, whether fiduciaries, joint tenants, tenants in common, or otherwise or for which two or more persons have the right to vote). A jointly held ownership interest may be voted on by any one of the record owners or any one of the persons having the right to vote the interest. If a jointly held ownership interest is voted by more than one person, the act of a majority binds all of the record owners or persons having the right to vote the interest; if the votes are evenly split on any particular matter, each faction may vote the interest proportionately.

Deletes the requirement that a shareholder’s right to inspect the books, records of account, minutes, and share transfer records relating to the stated purpose of an entity, is subject to the entity’s governing documents.

Amends numerous provisions of the Business Organizations Code relating to “defective corporate acts.”

**Effective Date:** September 1, 2017

### **Title 3. Limited Liability Companies**

#### **Senate Bill 1517**

Relating to partnerships, limited liability companies, and other domestic and foreign entities and to series of limited liability companies and foreign entities.

*Amends Business Organizations Code, Section 101.305; Adds Business Organizations Code, Sections 101.503 and 153.5521; Repeals Business Organizations Code, Section 154.103*

Author: Hancock      Sponsor: Oliveira

Provides that a vacancy in the position of a manager of an LLC may now be filled by the members, regardless of whether the vacancy was a result of an increase in the number of managers, and may be filled at any meeting of the LLC’s members called for that purpose (and not just at an annual or special meeting).

Provides that an LLC or limited partnership that refuses to allow a member/partner (or assignee of a partnership interest) to examine and copy, on written request, records or other information, is liable to the member/partner (or assignee) for any cost or expense, including attorney’s fees, incurred in enforcing the member’s/partner’s (or assignee’s) rights. The liability imposed on an LLC/LP is in addition to any other damages or remedy afforded to the member/partner (or assignee) by law.

Repeals the requirement to give notice of the taking of an action under a partnership agreement without a meeting by consent of fewer than all of the partners, to a partner who has not given written consent to the action (“taking of an action” includes amending the partnership agreement or creating under the partnership agreement a class of partners that did not previously exist).

**Effective Date:** September 1, 2017

## **CIVIL PRACTICE AND REMEDIES CODE**

### **Title 2. Trial, Judgment, and Appeal**

#### **Senate Bill 1249**

Relating to adverse possession of real property by a cotenant heir against other cotenant heirs.

*Adds Section 16.0265 to Civil Practice and Remedies Code*

Author: West      Sponsor: Schofield

Provides for a 10-year possession period combined with a 5-year “waiting” period after the filing of affidavits, for a total of 15 years.

Defines "cotenant heir" as one of two or more persons who simultaneously acquire identical, undivided ownership interests in, and rights to possession of, the same real property by operation of intestate succession laws, or a successor in interest of one of those persons.

New Section 16.0265(b) provides that one or more cotenant heirs may acquire, by adverse

possession, the interests of other cotenant heirs if, for a continuous, uninterrupted 10-year period immediately preceding the filing of a two affidavits (an affidavit of heirship and an affidavit of adverse possession and other facts):

(1) the possessing cotenant heir or heirs: (A) hold the property in peaceable and exclusive possession; (B) cultivate, use, or enjoy the property; and (C) pay all property taxes on the property not later than two years after the date the taxes become due; and

(2) no other cotenant heir has: (A) contributed to the property's taxes or maintenance; (B) challenged a possessing cotenant heir's exclusive possession of the property; (C) asserted any other claim against a possessing cotenant heir in connection with the property, such as the right to rental payments from a possessing cotenant heir; (D) acted to preserve the cotenant heir's interest in the property by filing notice of the cotenant heir's claimed interest in the deed records of the county in which the property is located; or (E) entered into a written agreement with the possessing cotenant heir under which the possessing cotenant heir is allowed to possess the property but the other cotenant heir does not forfeit that heir's ownership interest.

Requires cotenant heirs seeking adverse possession to publish a 4 week notice in a general circulation newspaper in the county in which the real estate is located and provide written notice (by certified mail, return receipt requested) of their claim to the last known addresses of all other cotenant heirs.

Requires a cotenant heir to file a controverting affidavit or bring suit to recover the cotenant heir's interest in the real property adversely possessed by another cotenant heir not later than the 5th anniversary of the date a right of adverse possession is asserted by the filing of the two aforementioned affidavits.

If a controverting affidavit or judgment is not filed before the 5th anniversary of the date, the affidavits are filed and no notice of any other cotenant heir's claimed interest was filed in the 10-year period preceding the filing of the two aforementioned affidavits, then title vests in the

adversely possessing cotenant heir or heirs in the manner provided by Tex. Civ. Prac. & Rem. Section 16.030, precluding all claims by other cotenant heirs.

A bona fide lender for value without notice, accepting a voluntary lien against the real property to secure the adversely possessing cotenant heir's indebtedness, or a bona fide purchaser for value without notice, may conclusively rely on the two aforementioned affidavits if: the affidavits have been filed of record for 15 years and a controverting affidavit or judgment has not been filed during those 15 years.

Without a title instrument, peaceable and adverse possession is limited to up to 160 acres, including improvements, unless the number of acres actually enclosed exceeds 160 acres, in which case, peaceable and adverse possession extends to the real property actually enclosed, and unless there is a duly registered deed or memorandum that fixes the boundaries of the possessor's claim, in which case, the claim extends to those boundaries.

**Effective Date:** September 1, 2017

## **Title 6. Miscellaneous Provisions**

### **[House Bill 240](#)**

Relating to the occurrence on certain premises of certain activities that may constitute a common nuisance.

*Adds Section 125.0017; amends Section 125.004 of the Civil Practice & Remedies Code*

Author: Hernandez      Sponsor: Huffman

Provides for law enforcement agencies to send mailed notices of arrests to landowners leasing property to persons operating a massage establishment, of the occurrence of specified illegal activities in the list of "common nuisances" in Section 125.0015(a), Civil Practice and Remedies Code. Notice of the arrest is prima facie evidence that the landowner knowingly tolerated the illegal activity, and with respect to notices of arrests involving certain offenses, is also notice that the landowner did

not make a reasonable attempt to abate the illegal activity. This evidence may be used in lawsuits against the landowner that the landowner is maintaining a “common nuisance.”

**Effective Date:** September 1, 2017, only to a cause of action that accrues on or after September 1, 2017. A cause of action that accrues before September 1, 2017 is governed by the law applicable to the cause of action immediately before September 1, 2017, and that law is continued in effect for that purpose.

### House Bill 2359

Relating to common nuisances.

*Amends Sections 125.0015(a) and 125.046(a) of the Civil Practice & Remedies Code*

Author: Ortega      Sponsor: Rodriguez

Adds criminal trespass (Section 30.05, Penal Code), disorderly conduct (Section 42.01, Penal Code), arson (Section 28.02, Penal Code), criminal mischief (Section 28.03, Penal Code) that causes a pecuniary loss of \$500 or more, and a graffiti offense (Section 28.08, Penal Code) to the list of activities constituting a “common nuisance” committed by a person who maintains a place to which people habitually go for the stated activity, and who knowingly tolerates the activity and fails to make reasonable attempts to abate the activity.

Adds maintaining a vacant lot, vacant or abandoned building, to the current sole activity of maintaining a multiunit residential property that is a common nuisance, as activities about which a Court may, on its own motion or on the motion of any party, order the appointment of a receiver to manage the property or render any other order allowed by law as necessary to abate as a nuisance.

**Effective Date:** September 1, 2017

## CONSTITUTION

### Senate Joint Resolution 6

Proposing a constitutional amendment authorizing the legislature to require a court to provide notice to the attorney general of a

challenge to the constitutionality of a state statute and authorizing the legislature to prescribe a waiting period before the court may enter a judgment holding the statute unconstitutional.

*Amends Article V of the Texas Constitution by Adding Section 32; Validates Section 402.010 of the Government Code if Amendment is Approved by Voters*

Author: Zaffirini      Sponsor: Schofield

Allows the legislature to require a court to provide notice to the Texas Attorney General of a challenge to the constitutionality of a statute of such a challenge is raised in litigation before such court. Permits the legislature to pass legislation restricting a court’s ability to enter a judgment, for a period not to exceed 45 days, after notice is provided to the Texas Attorney General.

**Effective Date:** If constitutional amendment approved by voters on November 7, 2017, the amendment is effective upon certification of the election results by the governor, which typically occurs in late November or early December. However, if passed, Section 402.010 of the Government Code would then become effective on January 1, 2018.

### House Joint Resolution 21

Proposing a constitutional amendment authorizing the legislature to provide for an exemption from ad valorem taxation of part of the market value of the residence homestead of a partially disabled veteran, or the surviving spouse of a partially disabled veteran if the residence homestead was donated to the disabled veteran by a charitable organization for less than the market value of the residence homestead and harmonizing certain related provisions of the Texas Constitution.

*Amends Article VIII, Section 1-b of the Texas Constitution*

Author: Bell      Sponsor: Creighton

Adds verbiage to Article VIII, Section 1-b of the Texas Constitution clarifying that veterans who may partially pay for the costs of a charitably donated homestead are entitled to the ad valorem taxation exemption provided for in the section; harmonizes numbering and lettering in the section with other proposed amendments.

**Effective Date:** If constitutional amendment approved by voters on November 7, 2017, effective upon certification of the election results by the governor, which typically occurs in late November or early December.

### Senate Joint Resolution 1

Proposing a constitutional amendment authorizing the legislature to provide for an exemption from ad valorem taxation of all or part of the market value of the residence homestead of the surviving spouse of a first responder who is killed or fatally injured in the line of duty.

*Amends Article VIII, Section 1-b of the Texas Constitution*

Author: Campbell      Sponsor: Fallon

Adds new subsections (o) and (p) to Section 1-b of Article VII of the Texas Constitution permitting the legislature to add an exemption to ad valorem taxation of all or part of the homestead of the surviving spouse of a first responder who is killed in the line of duty. Empowers the legislature to define “first responder” for purposes of the constitution. Limits the amount of the exemption to that of the home in which the surviving spouse of the first responder resided at the time of the first responder’s death in the event the surviving spouse were to subsequently move.

**Effective date:** If the constitutional amendment is approved by voters on November 7, 2017, this amendment provides it will take effect on January 1, 2018 and apply only to tax years beginning on that date.

### Senate Joint Resolution 60

Proposing a constitutional amendment establishing a lower amount for expenses that can be charged to a borrower and removing

certain financing expense limitations for a home equity loan, establishing certain authorized lenders to make a home equity loan, changing certain options for the refinancing of home equity loans, changing the threshold for an advance of a home equity line of credit, and allowing home equity loans on agricultural homesteads.

*Amends Article XVI, Section 50 of the Texas Constitution, including subsections (a)(6), (f), (g), and (t); adds Subsection (f-1)*

Author: Hancock      Sponsor: Parker

Caps the amount of fees a mortgage lender may charge to a borrower in connection with a Section 50(a)(6) home equity loan to two percent of the loan amount instead of the prior three percent, but excludes bona fide discount points, the cost of a title insurance policy or title abstract if the abstract cost is less than the premium for a mortgagee policy of title insurance, third-party appraisal, and survey from such fees. Permits Section 50(a)(6) home equity loans to be made on all properties subject to an agricultural exemption, removing the prior restriction for loans on such properties. Adds verbiage updating the constitution to match more current terminology used with respect to the mortgage lending industry. Allows a Section 50(a)(6) home equity loan to be refinanced as a rate and term refinance no longer subject to Section 50(a)(6) requirements, provided no additional cash is taken out, the borrower receives a 12-day disclosure as to their additional rights under a section 50(a)(6) loan prior to making the rate and term refinance, and the loan amount does not exceed 80 percent of the fair market value of the homestead on the date the Section 50(a)(6) loan is refinanced as a rate and term refinance. Allows a lender to conclusively rely on an affidavit executed by the owner or owner’s spouse that the requirements of a rate and term refinance of a Section 50(a)(6) loan have been met. Updates the language in the constitutionally promulgated 12-day notice for Section 50(a)(6) loans to match the new fee cap and exclusions from fees.

**Effective Date:** If constitutional amendment approved by voters on November 7, 2017, the

amendment is effective January 1, 2018 and applies only to a home equity loan made on or after January 1, 2018, or a refinance of an existing home equity loan that is made on or after January 1, 2018.

## FINANCE CODE

### Title 3. Financial Institutions and Businesses

#### House Bill 2823

Relating to the issuance and enforcement of a subpoena during the course of an investigation of a residential mortgage loan servicer.

*Adds Finance Code Section 158.1045*

Author: Dean                      Sponsor: Buckingham

Allows savings and mortgage lending commissioner to issue a subpoena in an investigation of a residential mortgage loan servicer. Should a person refuse to obey a subpoena, allows the commissioner to petition a district court in Travis County to compel the person to follow the subpoena.

**Effective Date:** Immediate

#### House Bill 3342

Relating to the prelicensing education requirements for residential mortgage loan originators.

*Amends Finance Code, Section 180.056(h)*

Author: Parker                      Sponsor: Buckingham

Allows the finance commission to determine the period of time before which a residential mortgage loan originator who fails to maintain his/her license must retake the education requirements. Such period of time was previously five consecutive years.

**Effective Date:** January 1, 2018

## GOVERNMENT CODE

### Title 2. Judicial Branch

#### House Bill 431

Relating to a temporary justice of the peace.

*Amends Section 27.055(b), Government Code*

Author: Metcalf                      Sponsor: Creighton

Amends current law to provide that on a judge's own motion or at the request of a justice of the peace, if a justice of the peace is temporarily unable to perform official duties because of absence, recusal, illness, injury, or other disability, the County Commissioner's Court Judge may appoint a qualified person to serve as temporary justice for the duration of the absence of the justice of the peace from the bench. Prior law did not provide for the judge/JP to submit their own motion.

**Effective Date:** Immediate

#### Senate Bill 42

Relating to the security of courts and judges in the state; establishing a fee.

*Adds Subchapter N, Section 51.971 to Chapter 51, Government Code; Adds Section 11.008(j), Property Code*

Author: Zaffirini                      Sponsor: Smithee

Provides for a new \$5 fee to pay for courthouse security training, to be collected by the clerk of a district court, county court, statutory county court, statutory probate court, or justice court, on the filing of any civil action or proceeding requiring a filing fee, including an appeal, and on the filing of any counterclaim, cross-action, intervention, interpleader, or third party action. A court may waive payment of a fee due for an individual the court determines is indigent.

Amends Property Code to require county clerk to omit or redact social security number, driver's license number, and residence address from instruments in public online database of federal or state judge or their spouse upon written request.

Adds provisions to increase security for courts and judges including creation of Judicial Security Division within the Office of Court Administration, creation of court security

certification required for court security officers, and removal of personal information for federal and state judges and spouses for ethics filing.

**Effective Date:** September 1, 2017

**Senate Bill 416**

Relating to the composition of the board of directors of the State Bar of Texas.

*Amends Government Code, Section 81.020; repeals Government Code, Section 81.002(7)*

Author: Watson            Sponsor: Smithee

Replaces the requirement that four of the board of directors be minority members (female, African-American, Hispanic-American, Native American, or Asian-American) with the requirement that they be at-large directors who demonstrate legal knowledge and experience so that the board represents the interests of attorney members from various backgrounds. Permits minority members currently serving to finish the terms of their appointment.

**Effective Date:** Immediate

**House Bill 1020**

Relating to volunteer practice by an inactive member of the State Bar of Texas.

*Amends Government Code, Section 81.053*

Author: Smithee            Sponsor: Rodriguez

Permits inactive members of the bar to practice law on a volunteer basis as permitted by Supreme Court rule.

**Effective Date:** September 1, 2017

**Senate Bill 302**

Relating to the continuation and functions of the State Bar.

*Amends various sections of Government Code, Chapter 81; amends Government Code, Sections 411.100 and 411.1005*

Author: Watson            Sponsor: Thompson

Extends the sunset of the State Bar until September 1, 2029. Modifies the required training program for the State Bar Board of Directors (including adding training requirements concerning State Bar operations, the extent of the State Bar's rulemaking authority, and disclosure of conflicts of interest) and requires the State Bar executive director to create a training manual to be distributed to the directors annually. Restricts increases in bar membership or other fees, so that increases may not be made without a vote by a majority of members, except that the board of directors may increase fees not more than once every six years, and increases shall not exceed ten percent. Provides that changes to membership fees must be set forth clearly in State Bar budgets and the Supreme Court must consider those fee changes during budget deliberations.

In response to discussion concerning the American Bar Association's Model Rule of Professional Conduct 8.4(g), which was proposed in 2016, adds the "religious liberty amendment" which requires the Supreme Court to ensure that rules relating to admission to law practice do not substantially burden the free exercise of religion.

Makes numerous changes to studies and standards for the disciplinary process. Requires the Supreme Court, in establishing standards for the disciplinary system, to ensure that attorneys have an opportunity to respond to allegations of misconduct. Clarifies that voluntary mediation and dispute resolution may be used to resolve minor grievances. Requires that the Commission for Lawyer Discipline's report (report is made at least annually to the board of directors, the supreme court, and the legislature) provide data by race and gender, and include certain detailed information concerning the number and disposition of grievances and the investigation of grievances. Instructs the Commission for Lawyer Discipline to summarize the newly-required information and to make information concerning barratry-related grievances available to the public, to the extent that publishing the information does not violate confidentiality laws. Permits, in certain instances, the Chief Disciplinary Counsel to issue a subpoena relating to an allegation of

attorney misconduct and requires the Chief Disciplinary Counsel to provide an objection process related to the subpoenas. Tasks the Chief Disciplinary Counsel to (1) develop a process for attorneys to self-report criminal offenses and out-of-state disciplinary actions, (2) develop a process to identify complaints that may be suitable for settlement or investigatory hearings, (3) propose sanction guidelines for disciplinary rule violations and make those guidelines available for comment, (4) create and maintain a grievance tracking system that includes information concerning the violations, sanctions imposed, and compliance with sanction guidelines, (5) report information gathered from the grievance tracking system and make the report publicly available on the State Bar's website, and (6) establish a process to regularly search the ABA's National Lawyer Regulatory Data Bank to identify bar members who are disciplined in other states. Permits the Chief Disciplinary Counsel to hold investigatory and disciplinary hearings by teleconference.

Replaces the current process allowing the Supreme Court to propose and amend disciplinary rules with a new, more detailed process initiated by a special committee. Creates a new nine-member Committee on Disciplinary Rules and Referenda to regularly review the Texas Rules of Professional Conduct and Texas Rules of Disciplinary Procedure, annually report on the adequacy of the rules, and initially propose new rules. Tasks the new committee to study, publish, draft, and collect comments on new rules. Provides that rules recommended by the committee shall be submitted to the State Bar board of directors. If a majority of directors approve the proposed rules, the directors shall petition the Supreme Court to order a referendum on the rules by members of the State Bar. Establishes ballot and voting requirements and process for Supreme Court approval or rejection. Provides that a new rule may not be adopted unless approved by the new committee, the board of directors, the State Bar members, and the Supreme Court. Directs The Supreme Court, the Committee on Disciplinary Rules and Referenda, and the State Bar to use technology to promote financial efficiency and gather comments. Provides certain time limits for rule proposal and a process to extend those limits.

Creates a new full-time position of ombudsman for the Attorney discipline system of the State Bar. Establishes the process of selecting the ombudsman and sets forth the ombudsman's general powers and duties, including receipt of complaints and violations, assisting the public with submission of grievances, and making annual recommendations to the board of directors and the Supreme Court for improvements to the system. Requires various parties to share information with the ombudsman and provides that information furnished to the ombudsman is confidential.

Adds a requirement that the state bar's online attorney profile include a link to the full text of any disciplinary judgment entered by a district grievance committee or district judge and requires online profiles to include any historical information on public disciplinary sanctions as is practicable. Permits the state bar to obtain criminal history record information from the Department of Public Safety or from the Board of Law Examiners. Establishes a deadline of September 1, 2018 for the State Bar to obtain criminal history record information on each person who is a member of the bar. Establishes a deadline of March 1, 2018 for the Supreme Court to adopt rules to implement certain changes under the act and for the disciplinary counsel to carry out certain obligations and propose certain rules under the act.

**Effective Date:** September 1, 2017

**Senate Bill 303**

Relating to the continuation and functions of the Board of Law Examiners.

*Amends various sections of Government Code, Chapter 82; adds Government Code, Section 82.039*

Author: Watson                      Sponsor: Thompson

Changes the expiration date for terms of the members of the Board of Law Examiners (the board) so that a third of board members' terms expire on May 31 (instead of August 31) of each odd-numbered year. Extends the sunset of the Board of Law Examiners until September 1,

2029. Allows the board to delegate routine decisions (including waiver requests) to the Executive Director of the Board. Modifies requirements of the training program for the Board of Law Examiners. Requires the Executive Director of the Board to create a training manual that includes the required information and to distribute the manual to the directors annually.

Adds the “religious liberty amendment”, which requires the Supreme Court to ensure that rules relating to admission to law practice do not substantially burden the free exercise of religion.

Replaces certain hard deadlines (for filing an application to take the bar exam and the deadline for the board to notify law students of its decision as to whether the student has acceptable character and fitness to practice law) with deadlines to be established by the Supreme Court rule.

Modifies the board’s ability to require that an applicant for bar admission submit to evaluation by a treatment facility to instead require evaluation by a licensed mental health professional. Allows the board to seek advice from the Lawyer’s Assistance Program of the State Bar of Texas or a similar program to designate a qualified mental health professional to conduct the evaluation, but deletes the current requirement that, if the board determines that an applicant suffers from chemical dependency, the board assist the applicant in working with such program.

Deletes the requirement that an applicant for bar examination states that the applicant is not mentally ill. Changes the form of the information included with the application to be a certified statement instead of a verified affidavit.

Allows the board to charge a late fee for an examination application that exceeds \$150.

Requires the board, using the board’s past decisions and other criteria that the board considers necessary, to develop guidelines to determine the moral character and fitness of applicants, oversee probationary license holders, and grant waiver requests.

Requires current members of the board to complete additional training and, if the member does not complete additional training by December 1, 2017, limits the membership rights of that member until the training is completed.

**Effective Date:** September 1, 2017

### **Title 3. Legislative Branch**

#### **Senate Bill 1987**

Relating to the notice and procedural requirements for bills proposing the creation of or annexation of land to certain special purpose districts.

*Amends Government Code, Section 313.006; amends Local Government Code, Section 375.022; amends Water Code, Sections 49.302, 54.014 and 54.016*

Author: Lucio

Sponsor: Murphy

For creating or adding land to municipal utility districts--and many other districts--excises the option to use a petition signed by 50 landowners in lieu of a petition signed by the owners of a “majority in value” of the land. For creating or adding land to a municipal management district (by legislative act), adds and toughens requirements to mail notices to landowners.

**Effective Date:** Immediate

### **Title 4. Executive Branch**

#### **Senate Bill 625**

Relating to public access to financial and tax rate information of certain special purpose districts; imposing a civil penalty.

*Adds Government Code, Sections 403.0241 and 403.0242; adds Local Government Code, Section 203.061, 203.0362 and 203.0363*

Author: Kolkhorst

Sponsor: Stephenson

Requires State Comptroller to create a “Special Purpose District Public Information Database” and post it on the Internet by September 1, 2018, subject to appropriation of funds. Applies to

most political subdivisions with “geographic boundaries” and significant operations or assets, but not to municipalities, counties, school districts, junior college districts, or statewide entities. Requires database to show each district's contact information, personnel, contractors, taxes, bonds, financial data, etc. Requires districts to provide data to the Comptroller, with sanctions including civil penalties.

**Effective Date:** September 1, 2017

**Senate Bill 526**

Relating to the abolishment of certain advisory committees and other state entities.

*Amends Government Code, Sections 402.033, 1232.106, 2113.301, and 2302.024; repeals Government Code, Sections 402.032 and 411.0197, and various sections of Government Code, Chapter 2302; repeals Family Code, Section 231.013; amends Family Code, Section 2.014; repeals Insurance Code, Section 4202.011; repeals Occupations Code, Chapter 2306, Subchapter C; repeals Natural Resources Code, Chapter 113, Subchapter J; amends Tax Code, Sections 23.52 and 23.73; repeals Section 16, Chapter 1156 (H.B. 2879), Acts of the 77th Legislature, Regular Session, 2001*

Author: Birdwell      Sponsor: Capriglione

Abolishes the residential mortgage fraud task force. If a person reports information concerning mortgage fraud to the Attorney General, the Attorney General is now required to notify the appropriate law enforcement agency with jurisdiction (instead of the task force) to investigate the fraudulent activity. To facilitate the investigation of mortgage fraud, authorizes governmental agencies (including the attorney general, local, federal, state law enforcement, and various state agencies) to share confidential information or information to which access would otherwise be restricted, although the information remains confidential and subject to any legal restrictions.

Abolishes various other state committees and entities, including the rain harvesting and water recycling task force and the committee

responsible for reviewing the Texas Comptroller’s rules concerning the manner of appraising land for certain agricultural exemptions (qualified open space land and qualified timber land).

**Effective Date:** September 1, 2017

**Senate Bill 1098**

Relating to recordings, acknowledgments, and proofs of certain written instruments.

*Amends Government Code, Section 406.014*

Author: Zaffirini      Sponsor: Anderson

Changes a notary public’s record-keeping requirements so that a notary public shall record the party’s “mailing address” instead of the party’s “residence or alleged residence.” Replaces a notary public’s obligation to furnish a certified copy of any record in the notary public’s office with the obligation to provide a certified copy of a record of official acts in the notary public’s book of record.

**Effective Date:** September 1, 2017

**House Bill 1217**

Relating to appointment of and performance of notarial acts by an online notary public and online acknowledgment and proof of written instruments; authorizing a fee and creating a criminal offense.

*Amends Civil Practice and Remedies Code, Section 121.006; adds Civil Practice and Remedies Code, Section 121.016; adds Government Code, Chapter 406, Subchapter C*

Author: Parker      Sponsor: Creighton

Permits “online notarization” which allows a person to appear and acknowledge a document by certain two-way video and audio conference technology. The acknowledging person need not be in Texas at the time of notarization. Tasks the secretary of state to develop standards for online notarization (including standards for “credential analysis” and “identity proofing,” which require a third party to verify the identity and means of identification submitted by a party

appearing electronically), and permits the Secretary of State to create rules to facilitate online notarization. Requires that acknowledgments indicate whether the person acknowledging the document physically appeared before the notary or appeared electronically and specifies certain information to be included in an electronic notarial certificate.

Outlines the authority and obligations of an online notary public. States that the online notary public has the same authority as a regular notary public. Permits an online notary public to charge a fee of up to \$25.00 for electronic notarization. Requires the online notary public to (1) keep a “secure electronic record” of notarized documents, (2) maintain the electronic record for at least five years after the transaction, (3) take “reasonable steps” to verify that the device used to create an electronic signature is current, (4) generally protect the security of the two-way video and audio communication and the online notary public’s record, electronic signature, and electronic seal, and (5) destroy the online notary public’s electronic signature or seal upon termination of his or her commission.

Creates a class A misdemeanor for knowingly taking unauthorized action with respect to the hardware or software used in the online notarization process.

**Effective Date:** July 1, 2018

**Senate Bill 763**

Relating to the composition of the Texas Historical Commission.

*Amends Government Code, Section 442.002*

Author: Huffman      Sponsor: Frullo

Changes the composition of the Texas Historical Commission to include XV members instead of nine members and to require that three of the members have certain expertise in archeology, history, and architecture, and that the remaining members represent the general public.

**Effective Date:** September 1, 2017

**Title 5. Open Government; Ethics**

**Senate Bill 564**

Relating to the applicability of open meeting requirements to certain meetings of a governing body relating to information technology security practices.

*Amends Government Code, Sections 551.089 and 2059.055*

Author: Campbell      Sponsor: Capriglione

Clarifies that any governmental body (not just the Department of Information Resources) may hold a closed meeting to deliberate certain security matters relating to information technology, networks, critical infrastructure or security personnel or devices. Clarifies that any governmental entity (not just a “state agency”) may keep information technology confidential, e.g., passwords, access codes, components of a security system.

**Effective date:** September 1, 2017

**House Bill 1861**

Relating to the confidentiality of certain information related to a computer security incident.

*Amends Government Code, Chapter 552, Section 552.139(b) and adding subsections (b-1) and (d)*

Author: Elkins      Sponsor: Watson

Protects from disclosure under the Public Information Act information directly arising from a governmental body’s routine efforts to prevent, detect, investigate, or mitigate a computer security incident. Requires governmental body to redact this information from contracts with private entities before posting the contracts online.

**Effective Date:** Immediate

**Senate Bill 705**

Relating to an exception from disclosure under the public information law for certain personal

information of an applicant for an appointment by the governor.

*Amends Government Code, Chapter 552, adds Section 552.158*

Author: Birdwell                      Sponsor: Price

Excepts from disclosure home address, home telephone number and social security number of an applicant for an appointment by the governor.

**Effective Date:** Immediate

**House Bill 3107**

Relating to the production of public information under the public information law.

*Amends Government Code, Chapter 552, Sections 552.221, 552.261, 552.275(a), (b), (d), (e), (g) (h) and (j) and adding subsections (a-1), (e-1), and (m), and 552.3215(i)*

Author: Ashby                      Sponsor: Nichols

Provides that a request is considered withdrawn if requestor fails to inspect or copy requested public information on or before the 60<sup>th</sup> day after the information is made available or fails to pay the postage and other authorized charges on or before the 60<sup>th</sup> day the requestor is informed of the charges. Authorizes all requests received in one day from an individual to be treated as a single request for purposes of calculating costs. Prohibits governmental body from combining multiple requests from separate individuals who submit on behalf of an organization. Authorizes governmental body to establish reasonable monthly and yearly limits (as opposed to just a “reasonable limit”) on the amount of time personnel are required to spend producing public information without recovering costs attributable to that personnel time. Authorizes all county officials who have designated the same officer for public information to calculate the amount of time that personnel are required to spend collectively for purposes of the monthly or yearly limit. Prohibits a yearly time limit from being less than 36 hours for a requestor during the 12 month period and prohibits a monthly time limit from being less than 15 hours for a requestor for a one-month period. Requires

governmental body, if a time limit is established, to state amount of personnel time spent complying from that requestor during the applicable monthly or yearly period. Provides that a governmental body is not required to honor a new request until the date the requestor pays authorized charges from a previous request. Provides that if a governmental body provides a requestor with a written statement of charges due and the 60 days have expired after information is provided, the request is considered withdrawn unless the requestor makes full payment on or before the 10<sup>th</sup> day the written statement is provided. Provides that the amendments to Section 552.275 do not apply if requestor is in the news gathering business, a journalist or scholar for a college, or is seeking the information for creation or maintenance of an abstract plant as described in Section 2501.04 of the Insurance Code. Defines “communication service provider” and “news medium.” Provides that a complainant is entitled to file a complaint with the Attorney General on or after the 90<sup>th</sup> day after the date the complainant files the complaint with a district or county attorney if the district or county attorney has not brought an action.

**Effective Date:** September 1, 2017

**Senate Bill 79**

Relating to the production of public information available on a publicly accessible website.

*Amends Government Code, Chapter 552, Section 552.221(b-1) and (b-2)*

Author: Nelson                      Sponsor: Capriglione

Authorizes governmental bodies, in addition to political subdivisions, to comply with a public information request by referring a requestor to information already published online.

**Effective Date:** September 1, 2017

**House Bill 2783**

Relating to the assessment of litigation costs and attorney fees in certain lawsuits under the public information law.

*Amends Government Code, Chapter 552,  
Section 552.323(a)*

Author: Smithee      Sponsors: Watson; Garcia

Authorizes a court in a writ of mandamus or declaratory judgment action to assess costs of litigation and reasonable attorney fees incurred by a plaintiff to whom a governmental body voluntarily releases the requested information after filing an answer to the suit.

**Effective Date:** September 1, 2017

### **Title 10. General Government**

#### **House Bill 1290**

Relating to the required repeal of a state agency rule and a government growth impact statement before adoption of a new state agency rule.

*Adds Government Code, Sections 2001.0045 and 2001.0221*

Author: Roberts      Sponsor: Kolkhorst

Requires most state agencies, when adopting new rules imposing costs on people or entities, to repeal or amend an existing rule to reduce costs on the same people or entities by at least as much as the costs of the new rule. Excepts new rules that: (1) relate to procurement; (2) decrease compliance costs; (3) are adopted in response to a natural disaster; (4) are necessary to receive federal funds or comply with federal law; (5) are necessary to protect health, safety and welfare; (6) are necessary to protect water resources under the Water Code; or (7) are adopted by certain specific agencies including the Department of Family and Protective Services, Department of Motor Vehicles, Public Utility Commission, Texas Commission on Environmental Quality or Texas Racing Commission; or (8) are necessary to implement legislation, unless expressly provided otherwise. Requires state agencies to prepare “government growth impact statements” detailing the impact of new rules on compliance costs as well as potential future appropriations to the state agency (applies to rules for which notice of proposed rule is filed on or after November 1, 2017).

**Effective Date:** September 1, 2017

#### **Senate Bill 1446**

Relating to contested cases conducted under the Administrative Procedure Act.

*Amends Government Code, Sections 2001.052, 2001.054, 2001.142, 2001.144, and 2001.146*

Author: Estes      Sponsor: Clardy

Revises various rules for contested cases. Allows notice of a hearing in a contested case to incorporate by reference the factual matters asserted in a filed complaint or petition. Provides for certain waivers by license holders. Allows more modern methods for serving notice in contested cases. Clarifies that a party’s attorney of record may receive notice. Amends the time period during which a party affected by an adverse decision may seek a new notice period (by motion for rehearing) due to failure to receive notice. Requires party seeking a new notice period to prove due diligence in keeping state agencies informed of its address for notices and not impeding receipt of notice. Extends the period of time by which a motion for rehearing of an administrative decision adversely affecting a party is overruled by operation of law to 100 days after the date the initial agency decision was reached. Makes corresponding amendments in related sections. Applies only to orders adversely affecting a party’s rights made on or after September 1, 2017.

**Effective Date:** September 1, 2017

#### **Senate Bill 528**

Relating to the term of a chief administrative law judge.

*Amends Government Code, Section 2003.022*

Author: Birdwell      Sponsor: Meyer

Clarifies that the two-year term for a chief administrative law judge expires on May 15 of each even-numbered year.

**Effective Date:** September 1, 2017

**House Bill 3021**

Relating to indemnification and duties of engineers and architects under certain government contracts.

*Amends Government Code, Section 2254.0031; Amends Local Government Code, Section 271.904*

Author: Phelan                      Sponsor: Hughes

Provides that a state governmental entity may not require a contractor to indemnify, hold harmless, or defend the state for claims or liabilities resulting from the negligent acts or omissions of the state governmental entity or its employees. Adds that Local Government Code Sections 271.904(a) – (e) and (g) apply to a contract for architectural or engineering services between an architect or engineer selected under the subchapter and a state agency as defined by Government Code Section 2052.101.

**Effective Date:** September 1, 2017

**Senate Bill 1238**

Relating to the eligibility of certain at-risk developments to receive low income housing tax credits.

*Amends Government Code, Section 2306.6702(a)(5); Adds Government Code, Section 2306.6714(a-2)*

Author: Rodriguez                      Sponsor: Moody

Amends the definition of “at-risk development” to include a development that proposes to rehabilitate or reconstruct housing units that receive assistance under Section 9, United States Housing Act of 1937 (42 U.S.C. Section 1437g) and are owned by a public housing authority or a public facility corporation created by a public housing authority. Adds that an at-risk development that was previously allocated housing tax credits but such credits have been set aside does not lose eligibility for those credits if the portion of units reserved for public housing as a condition of eligibility for the credits are later converted under the Rental Assistance Demonstration Program administered

by the United States Department of Housing and Urban Development.

**Effective Date:** Immediate

**House Bill 3574**

Relating to the allocation of low income housing tax credits.

*Amends Government Code, Section 2306.6710(a)*

Author: Collier                      Sponsor: Menendez

Provides that in evaluating an application to determine threshold criteria required by the Texas Department of Housing and Community Affairs (the “Department”) in the qualified allocation plan, educational quality may be considered by the Department as part of the threshold criteria, but shall not be considered as a scoring factor.

**Effective Date:** September 1, 2017

**House Bill 1512**

Relating to the administration of the owner-builder loan program.

*Amends Government Code, Sections 2306.754(b) and 2306.758(b); Adds Government Code, Section 2306.758(d); Repeals Government Code, Section 2306.7581*

Author: Isaac                      Sponsor: Watson

Deletes the requirement that the total amount of amortized, repayable loans made by the department and other entities to an owner-builder may not exceed \$90,000. No longer allows the Texas Department of Housing and Community Affairs (“Department”) to make loans from the owner-builder revolving loan fund established under Government Code Section 2306.7581.

Adds the following: all money received by the Department as part of the owner-builder loan program, including any amount received by the Department for payment of the principal of or interest on a loan made under this subchapter, shall be deposited in the housing trust fund

established under Government Code Section 2306.201. If the money received by the Department for a state fiscal year for payment of the principal of or interest on a loan made is less than \$3 million for a state fiscal year, the Department shall use any available source of money in the housing trust fund to ensure that no less than \$3 million is used for the owner-builder loan program each state fiscal year.

**Effective Date:** Immediate

## HEALTH & SAFETY CODE

### House Bill 995

Relating to the form and revocation of medical powers of attorney.

*Amends Health and Safety Code, Sections 166.155 and 166.164. Repeals Health and Safety Code, Sections 166.162 and 166.163*

Author: Wray, Guillen Sponsor: Rodriguez

Amends events causing revocation of a medical power of attorney to include marriages between the principal and agent that are “dissolved, annulled, or declared void.” Incorporates and amends the disclosure statement previously provided to the principal into the actual medical power of attorney document. Provides Health and Human Services Commission shall produce new forms by December 1, 2017.

**Effective Date:** September 1, 2017; however, Sections 1, 2, 3, 4, and 6 of the Act take effect January 1, 2018

## HUMAN RESOURCES CODE

### House Bill 1463

Relating to procedures for actions alleging failure to comply with certain standards to accommodate persons with disabilities

*Adds Section 121.0041, Human Resources Code*

Author: Smithee Sponsor: Seliger

Provides a set of procedures for notice of the claim, an opportunity to cure, and subsequent evidentiary hearings, abatement of actions, and

motions for summary judgment, for alleged failures to comply with applicable design, construction, technical, or similar standards required under Chapter 469, Government Code, or other similar state or federal laws to accommodate persons with disabilities.

**Effective Date:** September 1, 2017

## INSURANCE CODE

### Title 5. Protection of Consumer Interests

#### Senate Bill 417

Relating to notice to policyholders and agents of certain changes to property and casualty insurance policies.

*Amends Insurance Code, Sections 551.103, 551.110, 2002.001, and 2002.102, and heading of Subchapter C, Chapter 2002; adds Insurance Code, Section 551.1055*

Author: Watson Sponsor: Lucio III

Establishes notice requirements for certain changes to prior or existing property and casualty insurance policies. Defines a “material change” as one that reduces coverage, changes conditions of coverage, or changes the insured’s duties, and requires conspicuous plain language notice of each material change be provided to the insured at least 30 days prior to the renewal date. Also requires the insurer to give the agent 30-day written notice of any material change to a policy form or endorsement. Excludes properly noticed changes from triggering the existing provision that any reduction or restriction in coverage without the insured’s consent is a cancellation. Establishes liability for issuing such notices that are known to be false or made with malice or willful intent to injure. Applies to any policy delivered, issued, or renewed on or after January 1, 2018.

**Effective Date:** September 1, 2017

#### House Bill 1774

Relating to actions on and liability associated with certain insurance claims.

*Amends Insurance Code, Sections 541.156(a) and 542.060(a); adds Insurance Code, Chapter 542A (as Sections 542A.001-.007) and Section 542.060(c)*

Author: Bonnen                      Sponsor: Hancock

Restricts certain consumer actions against any property insurer, except the Texas Windstorm Insurance Association, relating to property damage claims arising from forces of nature. Applies to claims for breach of contract, negligence, misrepresentation, fraud, common law duty, delayed claim payments, and deceptive trade practices (under both DTPA and Insurance Code Chapter 541). Requires claimant to give 60-day pre-suit notice including a statement of the claim, the specific alleged amount of the loss, and the attorney's fees incurred through the date of the notice. Requires dismissal without prejudice of any claims brought against a noticing claimant before the 60-day notice period expires. Gives party receiving notice 30 days to make a written request to inspect the subject property. Allows for a plea in abatement if suit is filed without providing proper notice. Allows insurer to accept agent's potential liability, and prohibits claims against the agent if the insurer makes such an election. Awards the full amount of reasonable and necessary attorney's fees to a claimant awarded a judgment of 80 percent or more of the loss amount alleged in the notice; bars a fee award to the claimant if the judgment is less than 20 percent of the noticed loss; caps fee award for a judgment from 20-80 percent at the same proportion as that of the judgment to the noticed loss. Exempts from the above-described fee limits any insurer that elects to assume the agent's potential liability but fails to make the agent available for a noticed deposition. Bars attorney's fees award to claimant if proper pre-suit notice not given, after pleading and proof by the defendant, for any fees incurred after defendant files said pleading. Applies prospectively.

**Effective Date:** September 1, 2017

## **Title 10. Property and Casualty Insurance**

### **House Bill 1298**

Relating to the definition of commercial property insurance for purposes of certain provisions governing insurance rates and policy forms.

*Amends Insurance Code, Sections 2251.002(1) and 2301.002(1); adds Insurance Code, Section 2251.002(1-a) and 2301.002(1-a)*

Author: Frullo                      Sponsor: Hall

Clarifies that policies covering multiple commercial loss coverage types are rated and written as commercial property insurance policies rather than multi-peril policies. Defines "commercial property insurance" as including any combination of the following: commercial fire or allied lines, commercial inland marine insurance, commercial crime coverage, boiler and machinery coverage (excepting explosion), glass insurance, and other coverage as authorized by the insurance commissioner.

**Effective Date:** Immediate

## **LOCAL GOVERNMENT CODE**

### **Title 7. Regulation of Land Use, Structures, Businesses, and Related Activities**

#### **Senate Bill 1248**

Relating to municipal regulation of manufactured home communities.

*Adds Local Government Code, Sections 211.018 and 214.906*

Author: Buckingham              Sponsor: Lucio III

Forbids a municipality from changing nonconforming use of a manufactured home lot in certain manufactured home communities. Allows an owner to install a manufactured home "in a manufactured home community for which a nonconforming use is authorized by law," but preserves some restrictions in a designated

floodplain. Forbids municipal regulation of a tract or parcel “as a manufactured home community, park, or subdivision unless the tract or parcel contains at least four spaces offered for lease” for manufactured homes.

**Effective Date:** September 1, 2017

**House Bill 2040**

Relating to the building code standards for new residential construction in the unincorporated area of certain counties; affecting the prosecution of a criminal offense.

*Amends Local Government Code, Sections 233.155 and 233.157*

Author: King                      Sponsor: Nichols

Strengthens county remedies against builders who fail to provide proper notices of compliance with building code standards in connection with residential construction in unincorporated areas. Focuses criminal penalties on builders.

**Effective Date:** September 1, 2017

**House Bill 1704**

Relating to the award of court costs and attorney’s fees in actions to determine the applicability of certain local government regulations.

*Amends Local Government Code, Section 245.006*

Author: Kuempel                      Sponsor: Huffman

Authorizes award of court costs and attorney’s fees “to the prevailing party” in lawsuits under Chapter 245 of the Local Government Code (sometimes called the “vested-rights” statute or “freeze law”).

**Effective Date:** Immediate

**House Bill 1449**

Relating to prohibiting local governments from imposing certain fees on new construction.

*Adds Local Government Code, Section 250.008*

Author: Simmons                      Sponsor: Nelson

Forbids local fees on new construction to subsidize housing, with some exceptions. Applies to any “charter provision, ordinance, order, or other regulation” of a political subdivision that “imposes, directly or indirectly, a fee on new construction for the purposes of offsetting the cost or rent of any unit of residential housing.” Nullifies conflicting local measures. Grandfathers some agreements for subsidized housing.

**Effective Date:** Immediate

**Title 8. Acquisition, Sale, or Lease of Property**

**House Bill 1288**

Relating to broker agreements for the leasing of real property owned by a county.

*Amends Local Government Code, Section 263.008*

Author: Rose                              Sponsor: West

Authorizes counties to contract with real estate brokers to lease county property, subject to some restrictions, as an exception from auction requirements. (Expands existing authority for counties to contract with brokers to sell property.)

**Effective Date:** Immediate

**Title 9. Public Buildings and Grounds**

**Senate Bill 1004**

Relating to the deployment of network nodes in public right-of-way; authorizing fees.

*Adds Local Government Code, Chapter 284*

Author: Hancock                      Sponsor: Geren

Curtails municipal regulation of wireless “network nodes” and other facilities (including poles and cables) in public rights of way. Imposes extensive, prescriptive rules. Caps compensation to municipalities (e.g., \$250/node/year) and limits application fees.

Exempts some facilities (e.g., “mirco” nodes strung on cables between poles) from regulations and payments. Mandates “collocation” on poles for traffic control, street signs, street lights, etc. Overrides or limits some zoning and land use regulations. Contains many other provisions, including some relating to utilities and other telecommunications providers.

**Effective Date:** September 1, 2017

## **Title 12. Planning and Development**

### **House Bill 2761**

Relating to the authority of a defense base development authority to participate in a company or partnership organized to finance redevelopment projects.

*Amends Local Government Code, Section 379B.004*

Author: Cortez                      Sponsor: Uresti

Authorizes a defense base development authority to “participate as a member or partner of a limited liability company, a limited liability partnership, or other entity organized to finance a project designated as a redevelopment project under Section 379B.009” of the Local Government Code.

**Effective Date:** Immediate

### **House Bill 2792**

Relating to housing authorities established by municipalities and counties.

*Amends Local Government Code, Sections 392.005, 392.031 and 392.0331*

Author: Gonzalez                      Sponsor: Rodriguez

Loosens tax-exemption requirements for multifamily residential developments owned by a public facility corporation, a housing development corporation, or “a similar entity created by a housing authority.” Allows a recipient of “project-based rental assistance” to serve as commissioner of a municipal housing authority. Sets-aside certain commissioner positions to be filled by: (1) tenants of a public

housing project or (2) recipients of “housing assistance administered through the authority’s housing choice voucher program or project-based rental assistance program.” Contains related provisions. (Partially overlaps Senate Bill 593.)

**Effective Date:** September 1, 2017

### **Senate Bill 593**

Relating to the governance of certain housing authorities.

*Amends Local Government Code, Sections 392.031 and 392.0331*

Author: Rodriguez                      Sponsor: Blanco

Allows a recipient of “project-based rental assistance” to serve as commissioner of a municipal housing authority. Sets-aside certain commissioner positions for: (1) tenants of a public housing project or (2) recipients of “housing assistance administered through the authority’s housing choice voucher program or project-based rental assistance program.” Contains related provisions. (Partially overlaps House Bill 2792.)

**Effective Date:** September 1, 2017

## **NATURAL RESOURCES CODE**

### **House Bill 2567**

Relating to forest pest control.

*Amends Natural Resources Code Section 152.001; Amends Natural Resources Code Sections 152.003(1), (2), (3), (6) and (7); Amends heading to Natural Resources Code, Chapter 152, Subchapter B; Amends Natural Resources Code Section 152.016; Amends Natural Resources Code Sections 152.018(a), (b), and (c); Amends Natural Resources Code Section 152.019; Amends Natural Resources Code Section 152.020(a); Amends Natural Resources Code Section 152.021; Amends Natural Resources Code Section 152.022; Amends Natural Resources Code Section 152.023; Amends Natural Resources Code Section 152.025; Amends Natural Resources Code Section 152.061; Amends Natural*

*Resources Code Section 152.062; Amends Natural Resources Code Section 152.063(a); Amends Natural Resources Code Section 152.064; Amends Natural Resources Code Section 152.105; Repeals Natural Resources Code Section 152.003(9).*

Author: Bailes                      Sponsor: Nichols

Clarifies the public policy of the State of Texas to mitigate and control pests threatening forest land in Texas to protect associated ecological resources, enhance the health and maintenance of forests, promote stability of forest-using industries, ensure public safety, and conserve the ecosystem values of the forest.

Redefines “service” to mean the Texas A&M Forest Service. Redefines “forest pests” to mean native insects and diseases, nonnative invasive insects and diseases, and noxious and invasive plants included on a list under the Agriculture Code Section 71.151, that are harmful, injurious, or destructive to forests or trees and whose damage, if uncontrolled, is of considerable economic and environmental importance.

Redefines “forest land” to mean land with at least 10 percent cover by live trees of any size, including land that formerly had that amount of tree cover and will be naturally or artificially regenerated, but does not include land within the incorporated limits of a village, town, or city.

Redefines “infestation” to mean actual infestation or infection at conditions beyond normal proportion causing loss to forests.

References to “the Texas Forest Service” are revised to “Texas A&M Forest Service.”

Deletes the requirements that service to promulgate procedures to be followed for the control of the infestation shall be by mail to all appearing at the hearing and to all to whom notices were originally sent.

Clarifies that personal delivery to the landowner of the person having control of the forest land is sufficient notice. Clarifies that if the identity or address of the landowner or person having control of the forest land is unknown,

publication in one issue of a newspaper of general circulation in the county in which the land is located, or posting notice on the county’s Internet website or on a bulletin board at a place convenient to the public in the county courthouse for the county in which the land is located is sufficient for notice. Clarifies that if the landowner notifies the service of a forest owner, the service must furnish the same information to the forest owner.

Requires a landowner to inform the service of measures taken by the landowner to control the infestation and the results of those measures. If a landowner fails to apply the pest control measures prescribed by the service no later than 10 days after the date notice is given, the service may contact the landowner to offer further assistance or may enter the land and have the forest pests controlled.

Requires a landowner to pay all charges and expenses of control measures taken by the service, and the service shall charge amounts consistent with current commercial rates for control measures taken by the service. Clarifies that the amount charged for control measures taken by the service constitutes a legal claim against the landowner, but does not constitute a lien on any land owned by the landowner.

Clarifies that if a landowner notifies the service of a forest owner, the landowner is entitled to reasonable reimbursement from the forest owner for amounts spent by the landowner for pest control measures or paid on a legal claim under Sections 152.022 through 152.024. The amount the forest owner is required to pay is proportional to the interest owned in the forest.

Requires landowners to take measures to control the infestation as prescribed no later than 10 days after notice is given and to continue this activity with expedition and efficiency under the direction of the service.

Requires landowners to notify the service of the forest owner if all or a part of the standing trees are owned by someone other than the landowner. Such notification must occur no later than the 10th day after the date the landowner receives notice from the service.

**Effective Date:** September 1, 2017

## OCCUPATIONS CODE

### Title 5. Regulation of Financial and Legal Services

#### [House Bill 2113](#)

Relating to the regulation of for-profit legal service contract companies.

*Amends Occupations Code Sections 953.001(1), 953.156, and 953.162; adds Occupations Code Section 953.251 as Subchapter F, Chapter 953; repeals Occupations Code Sections 953.001(4)-(6), 953.004, 953.005, 953.155, and Subchapters B, C, and E, Chapter 953.*

Author: Goldman      Sponsor: Zaffirini

Deregulates for-profit legal service contract companies by rescinding the Texas Department of Licensing and Regulation's rulemaking, investigative, and disciplinary authority, and by repealing statutory registration, licensing, recordkeeping, and financial deposit requirements. Makes violations of Chapter 953 a deceptive trade practice actionable under the Deceptive Trade Practices-Consumer Protection Act. Dismisses any Chapter 953 proceeding that is pending on the effective date.

**Effective Date:** September 1, 2019

### Title 7. Practices and Professions Related to Real Property and Housing

#### [Senate Bill 1516](#)

Relating to the registration and regulation of appraisal management companies; authorizing fees; expanding the applicability of an occupational registration.

*Amends Occupations Code Sections 1104.003(b), 1104.004(a), 1104.052, 1104.102(a), 1104.103(b)-(c), 1104.104(b), 1104.105, 1104.151(b), 1104.153, 1104.156, 1104.161(a), 1104.203, 1104.204(b), 1104.208(a), 1104.210 (heading only), 1104.212, 1104.214-.216; adds Occupations Code Sections 1104.201(c), 1104.202(d),*

*1104.205(d), 1104.2081-.2082, 1104.2121-.2122, 1104.2131-.2132; repeals Occupations Code Sections 1104.102(b), (d)*

Author: Hancock      Sponsor: Geren

Defines a federally regulated appraisal management company as one being owned and controlled by a Federal Deposit Insurance Corporation (FDIC)-insured deposit institution and regulated by the Board of Governors of the Federal Reserve System, the FDIC, or the Office of the Comptroller of the Currency (OCC). Expands the 'small appraisal management company' exemption from the Texas Appraisal Management Company Registration and Regulation Act (Act) for appraisal management companies operating in multiple states, from not more than 15 total appraisers to not more than 24 total appraisers. Excludes federally regulated appraisal management companies from the Act, except as to the fee collection provisions. Requires the Texas Appraiser Licensing & Certification Board (TALCB) to collect the national registry fee. Prohibits an appraiser with a denied, revoked, or surrendered license from being an owner or controlling person in an appraisal management company unless the license is reinstated and the TALCB determines the denial, revocation, or surrender to be nonsubstantive. Authorizes the TALCB to negotiate settlements and enter into agreed orders regarding complaints. Exempts investigation file information or material from public information disclosure requirements in certain circumstances. Prohibits the attorney general from representing the TALCB in a contested case. Allows the TALCB to grant immunity from disciplinary action. Requires a record of contested case proceedings. Establishes consequences for failure to appear for a contested case hearing.

**Effective Date:** September 1, 2017

#### [House Bill 2019](#)

Relating to the regulation of manufactured homes.

*Amends and repeals various sections of Occupations Code Chapter 1201; adds Occupations Code Sections 1201.010,*

1201.054(d), and 1201.1511; amends various sections of Finance Code Chapter 347; amends Property Code Section 63.005(a); amends Tax Code Sections 1.04(3-a), 11.432(a), 23.127(a), 25.08(e), and 32.03(b); adds Tax Code Section 23.127(m)

Author: King

Sponsor: Estes

Revises the Texas Manufactured Housing Standards Act. Eliminates references to manufactured home lease-purchases transactions. Renames the “Statement of Ownership and Location” to the “Statement of Ownership”, but retains requirement that the physical installation location be provided. Specifically includes a “Certificate of Attachment” as a predecessor title document to a Statement of Ownership, and allows for the exchange of the Certificate of Attachment for a Statement of Ownership. Requires the Texas Department of Housing & Community Affairs (TDHCA) to provide searchable and downloadable information on its website regarding records of ownership, liens, installations, and license holders, as well as information regarding enforcement actions. Requires the TDHCA to do a cost benefit analysis of any fee or cost increase greater than \$50 affecting a license holder or consumer. Allows non-licensed owners, partners, officers, etc. of a licensed retailer or broker to act on behalf of the retailer or broker, if another owner, partner, officer, etc. meets certain requirements. Replaces the “Homeowners’ Recovery Trust Fund” with the “Manufactured Homeowner Consumer Claims Program” and repeals provisions relating to the management of the Homeowners’ Recovery Trust Fund. Authorizes a retailer to deduct expenses for real property appraisals and title work from a consumer’s deposit or down payment, in certain circumstances. Requires an application for a Statement of Ownership to include an affidavit stating the affiant owns the land to which the home will be affixed and title to the home is being taken in the same name as the record owner as recited by the real property or tax records.

**Effective Date:** September 1, 2017

## **Title 8. Regulation of Environmental and Industrial Trades**

### **House Bill 2279**

Relating to the regulation of residential service contracts.

*Amends Occupations Code Sections 1303.002, 1303.052(b), 1303.103, 1303.151-.154, 1303.202, 1303.251-.253, 1303.301(a), 1303.352(a); adds Occupations Code Sections 1303.053 and 1303.1525*

Author: Goldman

Sponsor: Hancock

Clarifies that the “maintain, repair, or replace” provision applies to the following, regarding a structural component, appliance, or an electrical, plumbing, heating, cooling, or air-conditioning system attached to or located on residential property: (1) operational or structural failure; (2) damage caused by defective materials or workmanship; or (3) normal wear and tear. Broadens the definition of a residential service contract to include extended warranties sold by manufacturers or merchants, and to include coverage providing incidental payments such as food spoilage; also broadens the definition to include coverage providing payment in lieu of repair, when such repair is impracticable. Defines a “reimbursement insurance policy” as one that either pays covered losses directly or reimburses a residential service contract company for same. Exempts a residential service contract company from statutory loss reserve and security bond requirements if all its risk is covered by a reimbursement insurance policy. Requires a residential service contract company to provide a copy of the residential service contract to the contract holder within 15 days. Allows a residential service contract company to satisfy the service fee disclosure requirement in a separate writing, which must be provided before purchase of the residential service contract.

**Effective Date:** January 1, 2018

## PENAL CODE

### House Bill 1257

Relating to the prosecution of and punishment for the offense of criminal mischief involving property used for flood control purposes or a dam.

*Amends Penal Code, Chapter 28, Section 28.03(b)*

Author: Kacal                      Sponsor: Birdwell

Expands the list of criminal mischief acts constituting a state jail felony to include an act that impairs or interrupts property used for flood control purposes or a dam resulting in a pecuniary loss of less than \$30,000. Does not apply retroactively to an offense committed before the effective date of this Act.

**Effective Date:** September 1, 2017

## PROBATE/ESTATES CODE

### **Title 2. Estates of Decedents; Durable Powers of Attorney**

### Senate Bill 2150

Relating to a revocable deed that transfers real property at the transferor's death.

*Amends Section 114.103 of the Estates Code, amends Section 114.151 of the Estates Code.*

Author: Huffman                      Sponsor: Farrar

Provides that if the designated beneficiary under a transfer on death deed fails to survive the transferor by 120 hours, the designated beneficiary's share passes in accordance with Subchapter D, Chapter 255 of the Estates Code, as if the proposed transfer were a devise made in a will, regardless of whether there were two or more designated beneficiaries. Revises the optional form that can be used to create a transfer on death deed by adding provisions relating to situations where: (1) at least one primary beneficiary survives the transferor; (2) no primary beneficiary survives the transferor; or (3) an alternate beneficiary does not survive the transferor.

**Effective Date:** September 1, 2017

### House Bill 1974

Relating to durable powers of attorney.

*Amends Section 752.102 of the Estates Code; amends various subsections of Section 751 and 752*

Author: Wray                              Sponsor: Rodriguez

Makes sweeping changes to the durable power of attorney (POA) statute. Modifies the statutory POA form, which modifications include replacing the term "attorney in fact" with the term "agent." Requires a person who is presented with a POA to either: (i) accept it or (ii) within ten business days after presentation request an agent's certification or an opinion or counsel, and then accept the POA within seven business days after receipt of the requested instrument. An agent's certification delivered in the statutory form is deemed conclusive proof of the matters certified therein. Allows a principal or an agent to bring suit against a person who wrongfully refuses to accept a POA.

Provides that an agent with a durable power of attorney automatically has the power to, among other things, to undertake the following with respect to any land, mineral or royalty interest belonging to a principal: (1) entering into transactions involving the negotiation and execution of oil, gas and other mineral leases; (2) pooling or unitizing such interests with other interests; (3) providing for the installation or operation of facilities for processing or other treatment of oil, gas or other minerals; (4) conducting seismic operations; (5) drilling wells for oil, gas or other minerals; (6) making "dry hole" and "bottom hole" contributions of cash, leasehold interests or other interests toward the drilling of wells; (7) using any secondary or tertiary methods of recovering any minerals; (8) purchasing mineral leases or leasehold interests for any kind of consideration, including farmout agreements, as well as entering into farmout agreements providing for the assignment of oil,

gas or other interests as consideration; (9) transferring oil, gas or other mineral interests for any consideration; and (10) entering into contracts or other agreements necessary to carry out the foregoing powers, regardless of whether such action is at such time or subsequently recognized as proper or common practice.

Also permits the agent to designate the property that constitutes the principal's homestead and execute such documents as are necessary to create a lien against the principal's homestead.

**Effective Date:** September 1, 2017

## PROPERTY CODE

### Title 2. Conveyances

#### House Bill 890

Relating to providing information to the public and to purchasers of real property regarding the impact of military installations.

*Adds Local Government Code, Section 397.007 and amends Property Code, Section 5.008*

Author: Geren                      Sponsor: Estes

Requires the county or any municipality in which is located a military installation (land owned by the United States and administered by the Secretary of Defense or the Secretary of a military department, such as a military base, camp or other military facility) to make the most recent Air Installation Compatible Use Zone Study or Joint Land Use Study (which are studies that may include information about zoning, compatible land use, noise or accident potential, and the effects of the military installations on the surrounding community) publically, or provide a link to the same, on its website. Adds a paragraph to the form of Seller's Disclosure Notice (for disclosures made in connection with residential contracts executed after September 1, 2017) to advise purchasers that property may be located near a military installation and that information about noise and compatible uses is available in the online studies.

**Effective Date:** September 1, 2017

#### Senate Bill 2212

Relating to certain real estate sales, brokerage, and advertising activities, certain functions of the Texas Real Estate Commission.

*Adds Occupations Code, Section 1101.0045; amends Occupations Code, Section 1101.156 and 1101.652; adds Property Code, Section 5.086*

Author: Hancock                      Sponsor: Kuempel

Permits a person, without a real estate license, to buy and then sell or assign an option or an interest in a contract if (1) the person does not use the option or contract to engage in real estate brokerage and (2) the person discloses the nature of the equitable interest to a potential buyer. Adds a provision to The Texas Real Estate License Act that states that a person selling or assigning an option or an interest in a contract is "engaging in real estate brokerage" if the person does so without disclosing the nature of the interest to the buyer (being that the person does not have legal title to the property, but merely has an option or an interest in a contract).

Prohibits the Texas Real Estate Commission from requiring, as part of the regulation of deceptive practices by licensed brokers or sales agents, a rule that the broker include the term "broker", "agent" or a similar designation, a reference to the commission, or the person's license number, in a broker's advertisement.

Prohibits a broker from publishing an advertisement that implies that a sales agent is responsible for the operation of the broker's real estate brokerage business or fails to include the name of the broker for whom the license holder acts (which may be an assumed name as authorized by law and registered with the Texas Real Estate Commission).

Adds a required disclosure that, prior to entry into a contract, a seller of an option or assignor of an interest in a contract disclose to the buyer that the seller is only selling an option or assigning an interest in a contract and does not have legal title to the property.

**Effective Date:** September 1, 2017

**House Bill 755**

Relating to the use by certain tax-exempt organizations of certain payments made in connection with real property transfers to provide educational activities through certain schools.

*Amends Property Code, Section 5.202(c)*

Author: Parker                      Sponsor: Nelson

Expands the description of payments that are not considered to be private transfer fee obligations by stating that payments to schools for educational activities may collaterally benefit encumbered property if the property subject to the fee is within the school's attendance zone or within a qualifying county (a county with a population of more than 650,000 which is adjacent to two counties, each with a population of more than 1.8 million).

**Effective Date:** September 1, 2017

**Title 3. Public Records**

**Senate Bill 1955**

Relating to expunction of a notice of lis pendens.

*Amends Property Code, Section 12.0071*

Author: Hughes                      Sponsor: Wray

Broadens the effect of expunction of a notice of lis pendens to specifically state that after a certified copy of an order expunging a notice of lis pendens has been recorded, the notice of lis pendens and any information contained therein does not give actual or constructive notice of any of the contents or matters relating to the action in connection with which the notice was filed and, upon expunction, an interest in real property may be transferred or encumbered free of (1) all matters asserted or disclosed in the notice of the lis pendens and (2) all matters asserted or disclosed in the litigation related to the notice.

**Effective Date:** September 1, 2017

**Title 4. Actions and Remedies**

**Senate Bill 499**

Relating to the adoption of the Uniform Partition of Heirs' Property Act.

*Adds Property Code, Chapter 23A*

Author: West                              Sponsor: Wray

Adopts the Uniform Partition of Heirs' Property Act (the "Act"), which protects, in particular, property owners with tenancy-in-common ownership from the loss of real property by forced sale. The Act applies to the partition of cotenants' "heirs' property" which means that, as of the filing of the partition action: (1) there is no "record" (a tangible, electronic, or otherwise retrievable medium) of agreement that governs the partition; (2) one or more of the cotenants acquired title from a relative; and (3) at least 20 percent of the cotenants are related to each other or at least 20 percent of the property interests are held by related cotenants or by an individual who acquired title from a relative.

If a court determines that property is heirs' property, then the property must be partitioned in accordance with the Act unless all cotenants agree in a record. The Act supplements Chapter 23 of the Property Code and the applicable Texas Rules of Civil Procedure, except that, in the event of a conflict, the Act overrides the other statutes.

If, after the plaintiff seeks citation by publication, the court determines that the property may be heirs' property, the Act requires the plaintiff to post a conspicuous sign on the property stating that the action has commenced and including certain information (including court information, the property's common designation, and, if required by the court, the names of the parties).

Specifies that any court-appointed commissioners be impartial. Provides a mechanism for the court to determine the fair market value of the property prior to determining any partition. The fair market value determination will be conducted at a hearing

after an appraisal, unless all the cotenants agree to a value or unless the court determines that the evidentiary value of the appraisal is outweighed by the cost (in which case the court determines the value by evidentiary hearing). During the value hearing, the court may consider the appraisal, any objections to it (which must be made within 30 days after the appraisal), and any other evidence of value offered by a party. After the hearing, the court shall notify all parties of the value.

After the value is determined, the Act provides a buyout process (that may be repeated depending on the response of various cotenants) that permits cotenants to purchase the interests of any cotenant requesting partition by sale. The Act also sets forth a mechanism to determine the purchase price for the various interests and permits the court to reallocate the purchase price based on the response of cotenants. Requires the court to notify the parties of the right to purchase and to set a deadline for the payment of the purchase price (which must be at least 60 days from the date that the court's notice is sent). If the interests are not purchased by the remaining cotenants, the partition then may be resolved by partition in kind or partition by sale.

If the cotenants requesting partition are not bought out in accordance with the Act, the Act requires the court to conduct a partition in kind unless it will result in substantial prejudice to the group of cotenants (which is to be determined based on the totality of the circumstances and numerous factors, including whether the property can practicably be divided, whether division would materially and adversely affect the value, sentimental attachment, lawful use and other relevant factors). In conducting a partition in kind, the Act directs the court to aggregate parties' interests, if requested by the parties.

Requires any sale of the property to be conducted by an open-market sale, unless the court determines that sale by sealed bids or at auction would be more economically advantageous and in the best interests of the cotenants. Sets forth certain requirements of an open-market sale, including appointment of a disinterested real estate broker who must report

certain information concerning the proposed sale to the court. Provides that the Act limits the Electronic Signatures in Global and National Commerce Act, except for certain sections of that statute.

**Effective Date:** September 1, 2017

**House Bill 3879**

Relating to nonlawyer representation in an appeal of an eviction suit.

*Amends Property Code, Section 24.011*

Author: Goldman      Sponsor: Hancock

In an appeal of an eviction suit for nonpayment of rent, permits a owner of a multifamily residential property to be represented by an authorized agent who need not be an attorney, or, if the owner is a corporation or other entity, by an employee, owner, officer, or partner of the landlord who need not be an attorney.

**Effective Date:** September 1, 2017

**Senate Bill 920**

Relating to access to a residence or former residence to retrieve personal property, including access based on danger of family violence.

*Amends Property Code, Sections 24A.001, 24A.002, 24A.003, 24A.004, 24A.005, and 24A.006; adds Property Code, Section 24A.0021*

Author: Whitmire      Sponsor: Lucio

Broadens an applicant's right to apply to the justice court for an order permitting entry to a former residence to retrieve personal property if the applicant is unable to enter the residence because of a clear and present danger of family violence to the applicant or the applicant's dependent. Expands information that may be retrieved to include copies of electronic records containing legal or financial documents.

Permits a justice of the peace to issue a temporary writ (not to exceed five (5) days) to retrieve property at an ex parte hearing if certain statutory conditions for permitting the applicant

to access to the premises are satisfied, and if the current occupant poses a clear and present danger of family violence to the applicant or the applicant's dependent, and if the personal harm to be suffered by the applicant or the applicant's dependent will be immediate and irreparable if the application is not granted. Permits the justice of the peace to waive the bond requirements for the temporary writ. Permits the justice of the peace to recess the ex parte hearing in order to call the current occupant and inform the occupant that he or she may attend the hearing or bring the personal property described in the application to the court.

**Effective Date:** September 1, 2017

### **Title 5. Exempt Property and Liens**

#### **House Bill 1128**

Relating to the date and time for the public sale of real property.

*Amends Civil Practice and Remedies Code, Section 34.041; amends Property Code, Section 51.002; amends Tax Code, Sections 34.01 and 34.07*

Author: Wray                      Sponsor: Taylor

If the first Tuesday of the month falls on January 1 or July 4, change the date and time for non-judicial foreclosures to occur between 10 a.m. and 4 p.m. on the first Wednesday of the month. Establishes that dates and times for public sales of real property by court order and for foreclosures of tax liens (unless conducted by online bidding and sale) will be carried out on the same date and time as non-judicial foreclosures (between 10 a.m. and 4 p.m. on the first Tuesday of a month, or if the first Tuesday of a month occurs on January 1 or July 4, between 10 a.m. and 4 p.m. on the first Wednesday of the month).

Foreclosures of tax liens that are conducted using online bidding and sale may begin at any time and must conclude by 4 p.m. on the first Tuesday of a month, or if the first Tuesday of a month occurs on January 1 or July 4, then they must conclude by 4 p.m. on the first Wednesday of the month.

**Effective Date:** September 1, 2017

#### **Senate Bill 952**

Relating to enforcement of a lien on property in a self-service storage facility by a sale conducted through an Internet website.

*Amends Property Code, Section 59.044 and Section 59.045*

Author: Hancock                      Sponsor: Villalba

Permits a landlord of a self-storage facility to foreclose on the landlord's lien on the contents of the facility by conducting an internet sale on a website accessible to the public. Provides that, for purposes of the notice of sale, the location of an internet sale is the address of the internet website.

**Effective Date:** September 1, 2017

### **Title 8. Landlord and Tenant**

#### **House Bill 1099**

Relating to a residential tenant's right to summon police or other emergency assistance.

*Amends Property Code, Section 92.015*

Author: Canales                      Sponsor: Lucio

Broadens protection of a residential tenant's right to request emergency assistance if the tenant has a reasonable belief that a person requires intervention or emergency assistance (previously the tenant's protected right to request assistance was limited to a response to family violence). Landlord may not prohibit, limit, or impose penalties on a tenant who exercises its rights. Any provision in a lease entered into on or after the effective date of this legislation that waives tenant's right to request emergency assistance shall be void.

**Effective Date:** September 1, 2017

#### **House Bill 2552**

Relating to measures to address and deter certain criminal or other unlawful activity, including trafficking of persons, sexual offenses,

prostitution, and activity that may constitute a public nuisance; increasing criminal penalties; creating a criminal offense.

*Adds Property Code, Section 93.013; amends Business & Commerce Code, Section 17.46; amends various sections of Civil Practice and Remedies Code, Chapter 125; adds Civil Practice and Remedies Code, Section 125.0017 and Section 125.0025; adds Education Code, Section 11.066; amends Government Code, Section 411.042; adds Health and Safety Code, Sections 241.011 and 245.025; amends Occupations Code, Section 1602.354; adds Occupations Code, Section 1602.408; amends Penal Code, Sections 20A.02, 21.16, and 22.01; adds Penal Code, Section 21.18*

Author: Thompson      Sponsor: Huffman

Amends and adds various civil and criminal laws in an effort to curb prostitution, sexual offenses, and human trafficking, particularly at massage establishments. Defines certain prima facie evidence related to the determination of a common nuisance. Requires the Department of Public Safety to maintain records of certain prostitution-related offenses. Creates a common nuisance under the Texas Civil Practice and Remedies Code for a person operating a web address or computer network (other than certain public providers including an internet service provider or search engine operator) in connection with various offenses, including prostitution, sexual abuse of young children, human trafficking, organized criminal activity, and other offenses. For such common nuisances, adds that the sole remedy is a judicial finding issued to the attorney general, who may then post the finding on its website and may take certain steps to block the nuisance activity as permitted under federal law.

Requires hospital emergency departments and abortion facilities to post “human trafficking signs” (at least 8-1/2 x 11) that inform people, in English and in Spanish (and, if the facility is in a political subdivision that requires posting election materials in other languages, the signs must be separately posted in those languages), that no person may force an individual to have an abortion and that a woman who needs help

may call a toll-free help number listed on the signs. The signs must be conspicuously posted and visible to the public. Directs the executive commissioner of the Health and Human Service Commission to adopt rules to implement and enforce the posting of the required signage. Provides that hospital emergency departments and abortion facilities are not required to post the signage before January 1, 2018. Requires licensed cosmetology facilities to display, no later than February 1, 2018, similar signs concerning assistance available to victims of human trafficking.

Adds a new section to Chapter 93 of the Texas Property Code that applies to leases entered into or renewed on or after the date of the act. Provides that a tenant’s right of possession terminates if the tenant uses or allows premises to be used for various prostitution or human-trafficking crimes. If a landlord “reasonably believes” that the tenant is using the premises for such a prohibited purpose, then the landlord may file a forcible detainer suit under Chapter 24 of the Property Code and seek unpaid rent, including rent for any period of occupancy after termination of the tenant’s right of possession. For such a forcible detainer, the landlord is not required to give a notice of eviction or termination before giving the notice to vacate and the landlord is not required to give more than three days’ notice to vacate before filing suit, notwithstanding requirements of laws related to notices to vacate (Section 24.005), termination of a lease (Section 91.001), any other law, or any other lease provision. Provides that a pending suit by the attorney general or by a district, county or city attorney for common nuisance related to the prohibited activity is prima facie evidence that the tenant’s right of possession has terminated. States that a final, non-appealable determination by a court that a common nuisance is being maintained on the premises creates an irrebuttable presumption that the tenant’s right of possession has terminated.

**Effective Date:** September 1, 2017

## Title 9. Trusts

### Senate Bill 617

Relating to trusts.

*Amends Sections 111, 112, 113, 116, and 240 of the Property Code*

Author: Rodriguez

Sponsor: Wray

Provides that a trustee may grant an agent authority to act for the trustee with respect to real property transactions, even if the governing instrument does not affirmatively permit the trustee to hire agents or expressly prohibit the trustee from hiring agents. Specifically, a trustee may delegate all powers to an agent to: (1) execute and deliver any legal documents relating to the sale and conveyance of the property; (2) accept notes, deeds of trust, or other legal instruments for financing the property; (3) approve closing statements authorizing deductions from the sale price; (4) receive trustee's net sales proceeds by check payable to the trustee; (5) indemnify and hold harmless any third party who accepts and acts under a power of attorney with respect to the sale of the property; (6) take any action, including signing any document, necessary or appropriate to sell the property; (7) contract to purchase the property for any price on any terms; (8) execute, deliver, or accept any legal documents relating to the purchase of the property or to any financing of the purchase; (9) approve closing statements authorizing payment of prorations and expenses; (10) pay the trustee's net purchase price from funds provided by the trustee; (11) indemnify and hold harmless any third party who accepts and acts under a power of attorney with respect to the purchase; or (12) take any action, including signing any document, necessary or appropriate to purchase the property and accomplish the delegated powers. A delegation of power by a trustee must be in writing and notarized. A delegation of power to an agent expires six months after the date of the written delegation of power unless earlier terminated by (1) the death or incapacity of the trustee; (2) the resignation or removal of the trustee; or (3) a date specified in the written delegation. A person who in good faith accepts a such a delegation of power without actual knowledge that the delegation or

the purported agent's authority is void, invalid, or terminated or that the agent is exceeding or improperly exercising the agent's authority may rely on the delegation as if: (1) the delegation were genuine, valid, and still in effect; (2) the agent's authority were genuine, valid, and still in effect; and (3) the agent had not exceeded and had properly exercised the authority.

**Effective Date:** September 1, 2017

## TAX CODE

### Title 1. Property Tax Code

#### House Bill 150

Relating to the exemption from ad valorem taxation of, and the deferral or abatement of ad valorem taxes on, certain residence homesteads.

*Amends Tax Code, Section 11.132(b)*

Author: Bell

Sponsor: Creighton

Adds an exemption from taxation for a disabled veteran's residential homestead where the homestead was donated to the veteran by a charitable organization, to include that the exemption applies when the residence was obtained at no cost to the disabled veteran (prior and ongoing law) or was obtained at some cost to the disabled veteran in the form of cash, mortgage, or both in an amount which should not exceed 50 percent of the estimated market value of the homestead at the time the donation was made.

**Effective Date:** January 1, 2018, subject to approval of constitutional amendment by voters. Absent such vote of approval, the act has no effect.

#### Senate Bill 15

Relating to an exemption from ad valorem taxation of the residence homestead of the surviving spouse of a first responder who is killed or fatally injured in the line of duty.

*Adds Tax Code, Section 11.134; Amends Tax Code, Section 11.431(a)*

Author: Huffines

Sponsor: Fallon

Provides that the surviving spouse of a first responder is entitled to an exemption from taxation of the total appraised value of the surviving spouse's residence homestead provided such survivor qualifies under the Employees' Retirement System of Texas and has not remarried.

**Effective Date:** January 1, 2018, subject to approval of constitutional amendment by the voters. Absent such vote of approval, the act has no effect.

**House Bill 777**

Relating to the eligibility of land owned by certain members of the armed services of the United States for appraisal for ad valorem tax purposes as qualified open-space land.

*Amends Tax Code, Section 23.523*

Author: Ashby                      Sponsor: Nichols

Provides that the eligibility of property for open space designation does not end because the land ceases to be used principally for agriculture use if the owner is a member of the armed services who is deployed or stationed outside Texas and intends to use the property for such purposes within 180 days after cessation of deployment or being stationed outside of Texas provided that the owner must notify the appraisal office within 30 days after deployment or being stationed outside the state that the owner intends to use the land as required for open space exemption within the 180 day period following deployment or being stationed outside Texas.

**Effective Date:** September 1, 2017

**House Bill 3198**

Relating to the eligibility of land to continue to be appraised for ad valorem tax purposes as qualified open-space land if the land begins to be used for oil and gas operations.

*Adds Tax Code, Section 23.524*

Author: Darby                      Sponsor: Estes

Provides that property qualified for an open space land exemption does not lose the exemption because a lessee under an oil and gas lease commenced conducting operations, provided that the land on which operations are not being conducted otherwise continues to qualify for the exemption.

**Effective Date:** September 1, 2017

**Senate Bill 1047**

Relating to installment payments of ad valorem taxes.

*Amends Tax Code, Section 31.031(a)*

Author: Creighton                Sponsor: Faircloth

Provides that individuals who are either disabled or at least 65 years of age or otherwise qualify for the exemption under Tax Code, Section 11.13(c) or who are disabled veterans or the unmarried, surviving spouse of a disabled veteran may pay ad valorem taxes in four equal installments provided that the first installment is paid on or before the delinquency date, together with notice that the tax will be paid in installments.

**Effective Date:** January 1, 2018

**House Bill 217**

Relating to the authority of certain persons to defer or abate the collection of ad valorem taxes on a person's residence homestead.

*Amends Tax Code, Section 33.06*

Author: Canales                      Sponsor: Hinojosa

Adds a disabled veteran as individuals who may defer collection of tax, abate a delinquent tax suit or foreclosure of a tax lien if the disabled veteran qualifies under Section 11.22 of the Tax Code for exemption from taxation of property owned by the veteran.

**Effective Date:** September 1, 2017

**House Bill 804**

Relating to the entitlement of a lessee of property who is required to pay the ad valorem taxes on the property to receive notice of the appraised value of the property.

*Amends Tax Code, Section 41.413*

Author: Dale                      Sponsor: Taylor

Provides that the owner of the property must send to the tenant obligated to pay taxes a notice of appraised value within XV days following receipt of the notice, provided that this notice requirement does not apply if the landlord and tenant have agreed to waive the requirements of this subsection or the tenant has agreed not to protest the appraised value. Upon request of the tenant, the chief appraiser shall send the notice of the value to the tenant, provided that the tenant evidences his contractual obligation to reimburse the property owner for taxes. The chief appraiser's requirement to provide the notice is abated if notice is posted on the appraisal district's website not later than the fifth day after the date the notice is sent to the property owner. Tenant may designate a third party to receive or act as agent for tenant under this amendment.

**Effective Date:** September 1, 2017

**House Bill 455**

Relating to the authority of a property owner to participate by telephone conference call at a protest hearing by an appraisal review board.

*Amends Tax Code, Section 41.45*

Author: Metcalf                      Sponsor: Nichols

Allows property owner to appear by telephone conference call to offer argument subject to submission of an affidavit by the property owner. The appraisal review board is required to conduct a protest hearing by telephone conference if the owner notifies the board of his intention to appear by telephone conference call not later than the 10<sup>th</sup> day before the date of the hearing, or the board proposes the hearing be conducted by conference call and the owner agrees, the appraisal review board is required to

provide a telephone number for call in purposes, and to provide a location for the hearing which is equipped with appropriate telephone equipment. Any additional parties which the property owner desires to have involved in the protest shall be provided access by the property owner.

**Effective Date:** September 1, 2017

**Senate Bill 1286**

Relating to the system for protesting or appealing certain ad valorem tax determinations.

*Amends Tax Code, Sections 41.45, 41A.061(c) and 41A.07*

Author: Bettencourt                      Sponsor: Murphy

Provides that each person making a protest must provide a copy of materials to be presented in the manner of the form prescribed by the Comptroller. Also provides for removal of arbitrators by the comptroller under certain circumstances such as shown bias.

**Effective Date:** September 1, 2017

**Title 2. State Taxation**

**Senate Bill 550**

Relating to the sale or assignment of tax credits for the certified rehabilitation of certified historic structures.

*Amends Tax Code, Section 171.908*

Author: Campbell                      Sponsor: Rodriguez

Provides that an entity that is sold or assigned a tax that is subject to a premium under Chapter 221 (Property and Casualty Insurance Premium Tax), Chapter 222 (Life, Health and Accident Insurance Premium Tax), Chapter 223 (Title Insurance Premium Tax) or Chapter 224 (Reciprocal and Interinsurance Exchange Premium Tax) of the Insurance Code, can claim all or part of a credit received for rehabilitation of certified historic structures against such taxes. Such entity will not be required to pay any additional retaliatory tax levied under Section

281 of the Insurance Code as a result of claiming such credit.

**Effective Date:** Immediate

**House Bill 3232**

Relating to the penalty imposed on certain delinquent oil and gas severance taxes.

*Amends Tax Code, Sections 201.351 and 202.301*

Author: Darby Sponsor: Bettencourt

Waives late-payment penalty for gas production and oil productions taxes when the “full amount of the additional amount due” is remitted with an amended return (subject to restrictions and conditions).

**Effective Date:** January 1, 2018

**Title 3. Local Taxation**

**Senate Bill 1465**

Relating to the authority of certain ex officio members of the board of directors of a tax increment financing reinvestment zone to elect not to serve on a board.

*Adds Tax Code, Section 311.0092*

Author: Taylor Sponsor: Bonnen

Provides that within 90 days after a person who is an ex officio member of the board of directors of a reinvestment zone formed under Section 311.009(b) or 311.0091(c) of the Tax Code is elected to the state senate or the house of representatives, the board of the reinvestment zone must send notice to such member informing the person of his or her membership on the board. Such state senator or representative may choose either not to serve on the board of the reinvestment zone or select another person to serve in his or her place. The state senator or representative must notify the board as soon as practicable of her decision and shall not be counted as a member for voting or quorum purposes.

**Effective Date:** September 1, 2017

**Senate Bill 277**

Relating to the eligibility of certain property for certain ad valorem tax incentives relating to wind-powered energy devices.

*Adds Tax Code, Section 312.0021; amends Tax Code, Section 313.024*

Author: Campbell Sponsor: Frank

Disallows both tax abatements (in reinvestment zones) and limitations on appraised value (for economic development/job creation) for certain property, if there is a “wind-powered energy device” on the property and “within 25 nautical miles of the boundaries of a military aviation facility.” Does not apply to certain agreements and applications pending at September 1, 2017.

**Effective Date:** September 1, 2017

**House Bill 1896**

Relating to the application of and use of revenue from hotel occupancy taxes imposed by municipalities and counties.

*Amends Tax Code, Sections 351.001, 351.007, 351.101 and 352.0031, and Local Government Code, Section 334.001*

Author: Bohac Sponsor: Taylor

Restricts use of revenues from some local hotel occupancy taxes by tightening key definitions (e.g., “venue,” convention center facilities, related facilities). Provides a limited tax-rate “freeze” for rooms under a contract made before a tax is imposed or increased.

**Effective Date:** September 1, 2017

**TRANSPORTATION CODE**

**Title 4. Navigation**

**Senate Bill 28**

Relating to the financing of ports in the state.

*Amends Transportation Code, Sections 55.001, 55.002 and 55.006; adds Transportation Code, Sections 56.001 through 56.003.*

Author: Creighton      Sponsor: Deshotel

Creates the “Ship Channel Revolving Fund” to be administered by the Transportation Commission to finance Congressionally-authorized projects to “deepen or widen a ship channel” (but not “maintenance dredging”). Authorizes a revolving loan program. Restricts Port Authority Advisory Committee's use of the Texas Mobility Fund to “construction or improvement of public roadways that will enhance connectivity to ports.” Expands the Committee from seven members to nine, adding one appointed by the Lt. Governor and one appointed by the Speaker of the House.

**Effective Date:** Immediate

### **Title 6. Roadways**

#### **Senate Bill 2006**

Relating to erecting or maintaining certain outdoor signs regulated by the Texas Department of Transportation.

*Amends Transportation Code, Section 201.931 and various sections in Chapters 391 and 394; repeals Transportation Code, 391.001(10), 391.005, 391.031(b), 391.037, 391.061(c) and 391.251.*

Author: Watson      Sponsor: Morrison

Rewrites the Texas Highway Beautification Act after *Auspro Enterprises v. Texas DOT*, 506 S.W.3d 688 (Tex.App.--Austin 2016, pet. filed), which held the Act and related regulations unconstitutional. Changes key terms, e.g., “commercial signs” rather than “outdoor advertising” and “signs” rather than “advertising.” Defines “commercial sign” as a sign that is either “(A) intended to be leased, or for which payment of any type is intended to be or is received, for the display of any good, service, brand, slogan, message, product, or company, except that the term does not include a sign that is leased to a business entity and located on the same property on which the business is located; or (B) located on property owned or leased for the primary purpose of displaying a sign.” Provides exemptions from penalties for certain signs in industrial or

commercial areas. Removes content-based exemptions, e.g., election signs, for-sale signs, etc. Contains many other provisions.

**Effective Date:** Immediate

#### **House Bill 2646**

Relating to real property acquired by advance acquisition for a transportation facility.

*Amends Transportation Code, Sections 202.021, 202.112, and 202.113*

Author: Martinez      Sponsor: Hinojosa

Authorizes Transportation Commission to acquire real property, an interest in real property or an option to acquire real property for a transportation project before an environmental clearance has been issued for the project. Requires the Commission to first offer to sell surplus property (acquired by advance acquisition) to the person who previously owned the property.

**Effective Date:** Immediate

### **Title 7. Vehicles and Traffic**

#### **House Bill 561**

Relating to the operation of certain vehicles used for package delivery; authorizing a fee.

*Adds Transportation Code, Sections 551.451 through 551.457*

Author: Murphy      Sponsor: Kolkhorst

Authorizes the Texas Department of Motor Vehicles to issue special “Package Delivery” license plates to a motor carrier operating a small utility vehicle for the purpose of picking up and delivering packages in a residential community. Authorizes an annual license plate fee of \$25. Allows operation on certain public highways where the speed limit is 35 mph or less. Authorizes property owner associations to adopt safety and use rules for the operation of such vehicles.

**Effective Date:** Immediate

## WATER CODE

Author: Perry

Sponsor: King

### Title 2. Water Administration

#### [House Bill 3735](#)

Relating to an application for a new or amended water right submitted to the Texas Commission on Environmental Quality.

*Amends Water Code, Chapter 11, Sections 11.002(1) and (3), 11.122, 11.125(a), 11.128, and 11.134; Amends Government Code, Chapter 2003, Section 2003.047*

Author: Frank

Sponsor: Rodriguez

Provides that holder of a water right that begins using desalinated seawater after acquiring the water right has a right to expedited consideration of an application for an amendment to the water right under certain conditions. Requires executive director of the Texas Commission on Environmental Quality (TCEQ) to prioritize the technical review of an application to amend the water right that uses desalinated seawater. Requires application for new or amended water right be accompanied by a map or plat in the form containing information prescribed by TCEQ. Requires applicant to pay the filing fee at the time application for an amendment is filed. Limits factors the TCEQ may consider in determining whether an appropriation is detrimental to the public welfare to those established in Chapter 11 of the Water Code. Requires the administrative law judge in considering an amendment to water rights to complete the proceeding and provide a proposal for decision to the TCEQ not later than 270 days after the date the matter was referred to the office.

**Effective Date:** September 1, 2017

#### [Senate Bill 864](#)

Relating to the procedure for obtaining a right to use state water if the applicant proposes an alternative source of water that is not state water.

*Amends Chapter 11, Water Code, Sections 11.132(c) and (d), 11.135(b), and 11.143(e) and (f)*

Requires the Texas Commission on Environmental Quality (TCEQ) to provide notice to persons affected, and to each groundwater conservation district that has jurisdiction over the proposed alternative groundwater source, of an application for a permit to use a proposed alternative water source, other than state water, identified by the applicant. Requires the notice sent to the groundwater conservation district be sent and published, at least 20 days before the date stated in the notice for the hearing, in a newspaper of general circulation in each county in which the groundwater conservation district is located.

**Effective Date:** September 1, 2017

#### [House Bill 1648](#)

Relating to the designation of a water conservation coordinator by a retail public water utility to implement a water conservation plan.

*Amends Water Code, Chapter 13, Section 13.146*

Author: Price

Sponsor: Seliger

Requires a retail public utility that provides potable water service to 3,300 or more connections to designate a person as the water conservation coordinator responsible for implementing the water conservation plan and to identify that person in writing to the executive administrator of the Texas Water Development Board.

**Effective Date:** September 1, 2017

#### [Senate Bill 873](#)

Relating to the authority and liability of owners and managers of apartment houses, manufactured home rental communities, condominiums, and multiple use facilities in charging tenants for submetered and nonsubmetered master metered water and wastewater services.

*Amends Water Code, Chapter 13, Sections 13.501, 13.503, 13.5031, and 13.505*

Author: Creighton      Sponsor: Murphy

Defines “condominium manager”, “utility costs”, “utility service costs”, and “overcharge”. Revises definition of “owner” to not include the manager unless manager is specifically identified in as the landlord in the lease. Adds provision in submetering and nonsubmetering rules in the Water Code to clarify that an apartment house owner, condominium manager, manufactured home rental community owner, or multiple use facility owner may charge a fee relating to upkeep or management of chilled water, boiler, heating, ventilation, air conditioning, or other building system, or any other amount that is unrelated to utility costs. Authorizes a person claiming a violation of a Public Utility Commission of Texas (PUC) rule regarding utility costs to file a complaint with the PUC. Grants exclusive jurisdiction to the PUC for violations under Subchapter M. Requires the PUC to establish an online and telephone formal complaint and hearing system. Revises tenant remedies to repayment of any overcharge and allows the PUC to assess an administrative penalty for overcharge violations by owners.

**Effective Date:** Immediate

**[House Bill 544](#)**

Relating to the use of the rural water assistance fund.

*Amends Water Code, Chapter 15, Section 15.994(c)*

Author: Anderson      Sponsor: Hinojosa

Adds water planning as type of assistance for which the rural water assistance fund can be used.

**Effective Date:** Immediate

**[House Bill 2215](#)**

Relating to the deadline for adoption of desired future conditions in groundwater conservation districts.

*Amends Water Code, Chapter 16, Section 16.053(e), Chapter 36, Sections 36.108(d), (d-2), (d-3), and (d-4)*

Author: Price      Sponsor: Miles

Changes deadline when groundwater conservation districts shall consider groundwater availability models and other data or information for the specific management area and propose for adoption desired future conditions within the management area to not later than May 1, 2021 and every five years thereafter. Provides deadline of not later than January 5, 2022, by which any desired future conditions proposed by any district must be approved and requires subsequent desired future conditions to be proposed and adopted before the end of each successive five-year period. Requires groundwater conservation districts, after receipt of notice from the Texas Water Development Board that the desired future conditions resolution and explanatory report are administratively complete, to adopt the applicable desired future conditions in the resolution and report. Repeals Section 38.108(d-5) relating to a certain proposal for the adoption of desired future conditions for the relevant aquifers within a management area.

**Effective Date:** Immediate

**[Senate Bill 347](#)**

Relating to the applicability of open meetings and public information laws to regional water planning groups and their committees.

*Amends Water Code, Chapter 16, Sections 16.053(h)*

Author: Watson      Sponsor: Phelan

Subjects each regional water planning group and any committee or subcommittee of such group to state open meetings and public information laws.

**Effective Date:** September 1, 2017

**Senate Bill 1538**

Relating to the permissible uses of the floodplain management account.

*Amends Water Code, Chapter 16, Section 16.3161(c)*

Author: Watson            Sponsor: Phelan

Expands uses by the Texas Water Development Board (TWDB) of the floodplain management account to include funding activity related to (1) the collection and analysis of flood-related information, (2) flood planning, protection, mitigation, or adaption, (3) the provision of flood-related information to the public through educational or outreach programs, or (4) evaluating response to and mitigation of flooding affecting residential property, including multi-family units, located in floodplains.

**Effective Date:** September 1, 2017

**Senate Bill 1009**

Relating to administrative completeness requirements for permit and permit amendment applications for groundwater conservation districts.

*Amends Water Code, Chapter 36, Sections 36.113(c) and 36.114(h)*

Author: Perry            Sponsor: Larson

Limits what a groundwater conservation district may require to be included in a well permit or permit amendment application and provides that the information included in the application be consistent with district rules on the date the application is submitted and reasonably related to an issue that a district is authorized by law to consider. Provides that an application is administratively complete if it contains such information and that a district cannot require additional information to determine administrative completeness.

**Effective Date:** September 1, 2017

**END OF REPORT**

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