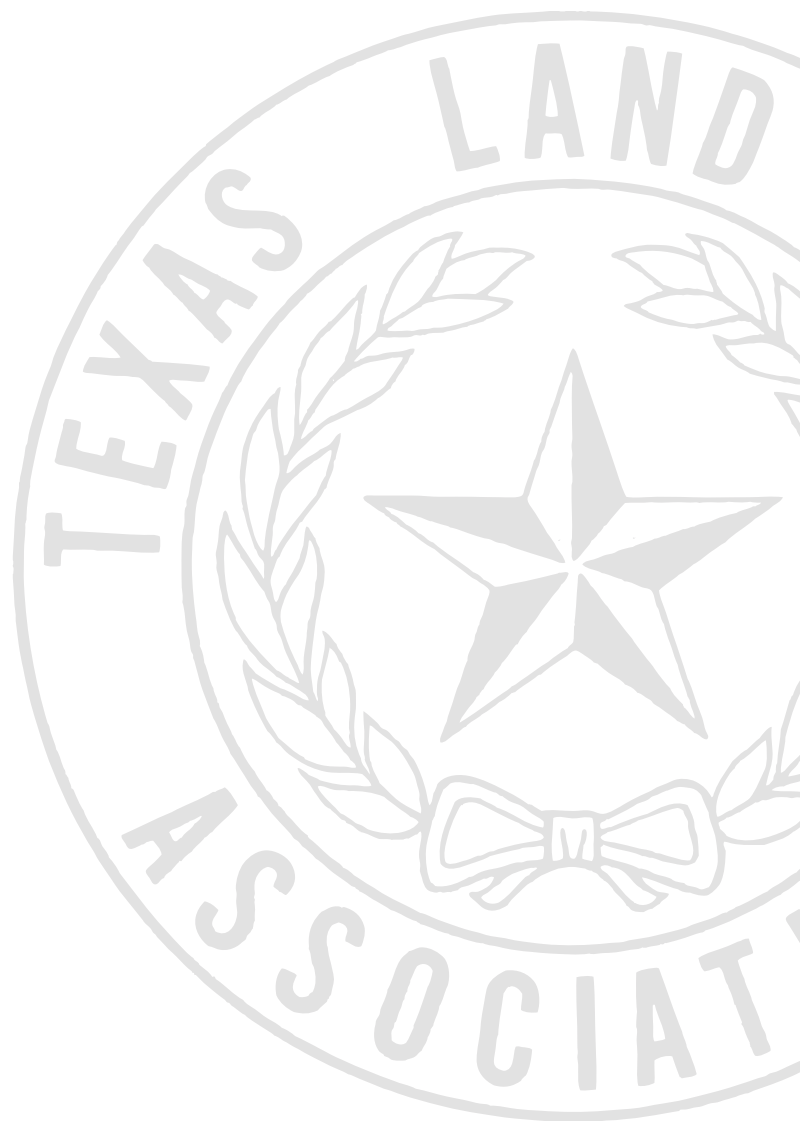


TEXAS LEGISLATURE 88TH SESSION RESULTS



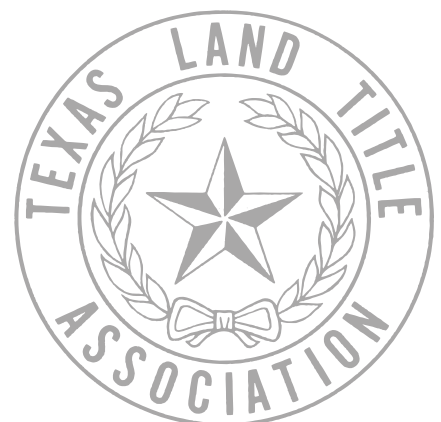
TLTA Advocacy Team Report

During the Texas Legislature's recently concluded 88th Regular Session, TLTA volunteers worked in concert with TLTA staff and our lobby team under the direction of TLTA's Board of Directors and Legislative Committee to pursue the fulfillment of our legislative priorities, work with industry allies on broader legislative issues that could impact the real estate marketplace, and monitor all legislation filed during the legislative session.

Our goal before, during and after a legislative session is to maintain open lines of communication with legislators and legislative leadership, make ourselves available to answer questions, and actively work the legislative process to protect and strengthen our industry.

We are excited to report we successfully passed the two bills on our affirmative agenda this session, worked with bill authors to improve bills that were problematic, and worked with our legislative partners to stop bad bills from becoming law.

Following is an accounting of some bills and issues of which you should be aware.



Texas Legislature 88th Session Results



TLTA's Legislative Agenda Successfully Passed

TLTA's Affirmative Legislative Agenda

- ✓ **Trust as Grantee Clarification**
SB 801 by Sen. Hughes (House Sponsor: Rep. Longoria)
Clarifies that a deed conveying title to a trust (as opposed to naming the trustee of that trust) should be deemed to be a conveyance into the trustee.
[Review TLTA's One-Pager](#)
- ✓ **Remote Ink Notarization**
SB 1780 by Sen. Parker (House Sponsor: Rep. Capriglione)
Allows for Remote Ink Notarization (RIN) within the existing statutory Remote Online Notarization (RON) framework
[Review TLTA's One-Pager](#)

Bills You Need to Know About

- ✓ **[HB 219](#) — Release of Lien**
Requires a mortgage company to issue a release of lien within 60 days of it being paid and provides a mechanism for mortgagor to have the mortgagee file the release in the real property records.
- ✓ **[HB 1040](#) — Insurer Electronic Communications**
Expands the ability for TDI regulated entities to conduct business electronically .
- ✓ **[HB 1901](#) — Electronic Audit Filing**
Allows Title Agents to file their annual audit with TDI electronically.
- ✓ **[HB 207](#) — Pretended Sale Exception on Certain Rural Homesteads**
Provides a means to establish that the conveyance of one or more parcels that do not meet certain statutory definitions of an urban homestead by an individual to a related entity is not a sham or pretended sale under certain circumstances and estops the individual from asserting certain claims.
- ✓ **[SB 1916](#) — PID Transparency**
Provides that PID information and status be posted timely and made available on the municipal website.

✓ = PASSED ✗ = FAILED TO PASS

Texas Legislature 88th Session Results



TLTA Opposed Bills

- ✗ [HB 2186](#) — Photo ID for Real Property Records
Would have allowed all county clerks to demand photo ID before accepting a real property records filing. (Note HB1195/SB319 passed which was amended by TLTA to limit the ability to counties which offer e-filing.)
- ✗ [SB 147](#) — Foreign Property Ownership
As filed would have prohibited foreign ownership of real property from designated countries making such transactions void. Subsequent changes to the bill resulted in a bill limited to agricultural property with a mechanism for police action seizing the property and divestiture. However, it still applied to individuals as well as entities.

Other Bills of Concern That Failed to Pass

- ✗ [HB 1075](#) — Foreign Ownership of Agricultural Land
Would have prohibited all foreigners from owning agricultural real property declaring such transactions void.
- ✗ [HB 1674](#) — Sale Lease Back
Would have amended "Pretended Sale Statute" to clarify that options in sale lease back context can be valued in a manner to avoid pretended sale prohibition.
- ✗ [HB 2017](#) — Innovation Waiver
Innovation waiver or "Sandbox bill" would have allowed for alternative insurance models to bypass statutes and rulemaking if Commissioner agreed to allow for pilot project.
- ✗ [HB 2788](#) — Foreign Ownership of Land
Would have provided for police action and forfeiture but with remaining questions about status of potential lien holders.
- ✗ [HB 4126](#) — Future Listing Agreements
Would have sanctioned by providing a regulatory safe harbor for the practice of a listing company to purchase the ability to place a covenant to run with the land for several years requiring that the property be listed with the company each time the property comes up for sale or a penalty be assessed and paid to the company.

Texas Legislature 88th Session Results



Bills TLTA Worked with Bill Authors and Stakeholders to Amend

-  [HB 4](#) — [Comprehensive Data Privacy Bill](#)
Comprehensive Data Privacy Bill, TLTA worked with bill author in previous sessions to exclude title companies, title agents, and title plants through a Graham-Leach-Bliley Act related carve out.
-  [HB 611](#) — [Doxxing](#)
TLTA & Clerks amended to exclude County Clerks and government officials from being subject to criminal liability for hosting home addresses online.
-  [HB 1195](#) — [Photo ID for Real Property Records](#)
TLTA amended to limit the ability to require a photo ID for filing in the property record to only those counties who provide for e-filing.
-  [HB 1382](#) — [County Online Auctions](#)
TLTA & Stewart Title amended to limit online county real property auctions to tax sales.
-  [HB 1765](#) – [Redaction of Web Based Real Property Records](#)
TLTA secured amendment to require that redaction of real property record information only be applied to a web version of the records not the official record and that the webpage include a disclaimer that the web record is not an official record and cannot be relied upon.
-  [HB 1823](#) – [Fraudulent Deed Removal](#)
This bill would have added deeds to the fraudulent lien statute allowing for a “self help” remedy to remove fraudulent deeds. TLTA secured amendments to provide for legal descriptions.
-  [HB 3657](#) – [Notary Reform](#)
TLTA supported this bill which would have created criminal liability for notaries failing to follow proper procedure by performing the notarial act without the signers present and establishing continuing education requirements. TLTA amended to carve out Remote Online Notarization (RON) & Remote Ink Notarizations (RIN).

Texas Legislature 88th Session Results



- ✗ [HB 3768 – Decentralized Autonomous Organizations \(DAOs\)](#)
This bill would have created the recognized entity of Decentralized Autonomous Organizations that are based on blockchain technology. DAOs would have had the power to purchase, own and dispose of real property. TLTA secured amendments to insure that entity authority relative to real property would be property recorded with legal descriptions as applicable.
- ✗ [HB 5067 – Real Property Record Blockchain Pilot Project.](#)
TLTA secured amendments to the bill scaling back the scope and removed portions dealing with digital tokens.
- ✓ [SB 604 — Landmen](#)
TLTA amended to specify that landmen functions do not include title agent and title insurance functions.
- ✓ [SB 785 — Geothermal Energy Rights](#)
TLTA amended to include a statutory right to take a general exception to geothermal energy in the title policy.
- ✓ [SB 895 — Dept. of Banking Modernization and Recodification](#)
TLTA amended to maintain the exclusion of title agents and title insurance from being regulated by the Texas Department of Banking.
- ✓ [SB 1979 — Institutional Home Buyer Reporting](#)
TLTA & Building Trades amended to no longer require reporting institutional buyer information at each real property transaction but as to have Texas Real Estate Center study the phenomenon of institutional buyers.