

Real Estate Bills Cover Indemnity, Criminal Checks, Plats

Proposed legislation related to real estate and development covers a broad range. Some bills would limit indemnity provisions in real estate services contracts – for example, from design to cleaning as in Rep. Holzheuser’s (R-Victoria) HB 96. HB 342 by Rep. Solomons (R-Charrollton) would require all lease agreements to have a disclosure to the effect of: “This lease is negotiable even if you have been told that it is not. Consult your attorney!”

HB 16151 filed by Rep. Glen Maxey (D-Austin) would even require landlords to pay interest on security deposits.

Another bill would expand criminal conviction checks of employees at apartment projects to include arrests and indictments, not just convictions.

Sellers should beware another disclosure form is proposed in HB 1665 filed by Rep. Oliveira (D-Brownsville), to be delivered to purchasers with a real estate contract. This time it is for known subsurface conditions such as pipelines, tanks and storage facilities. If you didn’t have it, the buyer would have a free “out” within seven days.

In addition, a bevy of bills relate to the filing or the approval of subdivision plats. Some require a 90-day approval process for plats, including a publication of notice of the plat, as well as direct notice to landowners, tenants and easement owners within 1,500 feet of the subdivision prior to a public hearing. Another bill, HB 2317 filed by Rep. Rangel (D-Kingsville), would require city action on a plat within 90 days, while yet another would allow variances to be granted in economically distressed areas.

A plat in a critical water area (under proposed SB1) could not be approved until water availability and quality were proven in sufficient quantity to support development to the satisfaction of the county. Any proposed water system in the subdivision would have to be built and operated within certain standards.