

## **BILL ANALYSIS**

Senate Research Center

H.B. 110  
By: Giddings (West)  
Intergovernmental Relations  
6-13-97  
Engrossed

### **DIGEST**

Currently, Chapter 34 of the Tax Code contains the procedures regarding the sale of property pursuant to the foreclosure of a tax lien and the distribution of the proceeds. These procedures have certain stipulations as to which parties may be involved in the sale of land by the municipality after a foreclosure. This bill amends the procedure regarding land acquired by a taxing unit through the foreclosure of a lien.

### **PURPOSE**

As proposed, H.B. 110 sets forth procedures for land acquired by a taxing unit through foreclosure of a lien.

### **RULEMAKING AUTHORITY**

Rulemaking authority is granted to a municipality in SECTION 1 (Sec. 34.015(b), Tax Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 34.015, Tax Code, to authorize the governing body of a municipality, rather than a municipality with a population of 1.5 million or more, to provide for the manner in which land acquired by the municipality following the foreclosure of a tax lien in favor of the municipality may be sold if the land is sold to certain nonprofit organizations. Authorizes a municipality operating under this section, by ordinance, to determine the individuals and families who qualify as low-income individuals and families. Requires the municipality to consider median income of individuals and median family income in the area.

SECTION 2. Amends Section 101.064, Civil Practice and Remedies Code, to make a conforming change.

SECTION 3. Amends Section 34.05(g), Tax Code, to make a conforming change.

SECTION 4. Amends Section 34.05, Tax Code, by adding Subsection (h), to authorize a taxing unit to which property is bid in to recover its costs of upkeep, maintenance, and environmental cleanup from the resale proceeds without further court order.

SECTION 5. Emergency clause.  
Effective clause: upon passage.