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(3) all of the other ordinary expenses incurred in connection with the administration, management, or preservation of trust property and the distribution of income, including interest, ordinary repairs, regularly recurring taxes assessed against principal, and expenses of a proceeding or other matter that concerns primarily the income interest; and

(4) recurring premiums on insurance covering the loss of a principal asset or the loss of income from or use of the asset.

SECTION 3. Subsection (a), Section 116.202, Property Code, is amended to read as follows:

(a) A trustee shall make the following disbursements from principal:

(1) the remaining one-half of the disbursements described in Section [Sections] 116.201(1) unless, consistent with the trustee's fiduciary duties, the trustee determines that a different portion, none, or all of those disbursements should be allocated to income, in which case that portion of the disbursements that are not allocated to income shall be allocated to principal;

(1-a) the remaining one-half of the disbursements described in Section 116.201(2) and (3);

(2) all of the trustee's compensation calculated on principal as a fee for acceptance, distribution, or termination, and disbursements made to prepare property for sale;

(3) payments on the principal of a trust debt;

(4) expenses of a proceeding that concerns primarily principal, including a proceeding to construe the trust or to protect the trust or its property;

(5) premiums paid on a policy of insurance not described in Section 116.201(4) of which the trust is the owner and beneficiary;

(6) estate, inheritance, and other transfer taxes, including penalties, apportioned to the trust; and

(7) disbursements related to environmental matters, including reclamation, assessing environmental conditions, remedying and removing environmental contamination, monitoring remedial activities and the release of substances, preventing future releases of substances, collecting amounts from persons liable or potentially liable for the costs of those activities, penalties imposed under environmental laws or regulations and other payments made to comply with those laws or regulations, statutory or common law claims by third parties, and defending claims based on environmental matters.

SECTION 4. (a) Except as otherwise expressly provided by a trust, a will creating a trust, or this section, the changes in law made by this Act apply to a trust existing or created on or after September 1, 2013.

(b) For a trust existing on September 1, 2013, that was created before that date, the changes in law made by this Act apply only to an act or omission relating to the trust that occurs on or after September 1, 2013.

SECTION 5. This Act takes effect September 1, 2013.

Passed the Senate on April 16, 2013: Yeas 28, Nays 1; the Senate concurred in House amendment on May 23, 2013: Yeas 30, Nays 1; passed the House, with amendment, on May 20, 2013: Yeas 147, Nays 0, two present not voting.

Approved June 14, 2013.

Effective September 1, 2013.

CHAPTER 1338

S.B. No. 854

AN ACT

relating to the regulation of motor vehicle dealers, manufacturers, distributors, and representatives.

Be it enacted by the Legislature of the State of Texas:

3550
SECTION 1. Subchapter J, Chapter 2301, Occupations Code, is amended by adding Section 2301.483 to read as follows:

Sec. 2301.483. SPECIFIC USE AGREEMENTS. (a) In this section:

(1) “Necessary real estate” means real estate that is necessary for the proper operation of a dealership in the dealership’s location as determined by the manufacturer’s, distributor’s, or representative’s facility requirements or to comply with any applicable law or zoning requirement.

(2) “Owner” means a manufacturer, distributor, or representative, including an entity owned or controlled by a manufacturer, distributor, or representative.

(3) “Specific use agreement” means a property use agreement that is executed in conjunction with a sale or as part of the terms of a lease by an owner of real property to a transferee for use by the transferee as a dealership under the terms of a franchise executed or to be executed between the owner and the transferee.

(4) “Transferee” means a person who is a purchaser or lessee of real property subject to a specific use agreement.

(b) To the extent of any conflict between this section and another section of this chapter regarding a specific use agreement, this section controls. Notwithstanding any other section of this chapter and except as provided by this section, a specific use agreement may include provisions that allow an owner to:

(1) limit the transferee’s ability to add a line-make after the transferee has opened a franchised dealership on the property to which the specific use agreement applies;

(2) prohibit the sale or sublease of the dealership property by the transferee to a person for a purpose other than the operation of a dealership under a franchise with the owner of the property; or

(3) make the limitations described by Subdivisions (1) and (2) applicable to any successor or sublessee of the transferee.

(c) An owner may not coerce or attempt to coerce an existing franchised dealer of the owner to relocate an existing dealership of the same line-make to property that is subject to a specific use agreement. If it is proven in a civil suit that a person entered into a specific use agreement containing a provision described by Subsection (b) as a result of coercion, the specific use agreement is void.

(d) A specific use agreement executed in conjunction with the sale of real property may apply only to the necessary real estate.

(e) A specific use agreement executed in conjunction with the sale of real property to an existing franchised dealer for the purpose of relocating an existing dealership of the same line-make to property that is subject to the specific use agreement or to a person for the purpose of establishing a new dealership expires on the earliest of:

(1) the date established by the specific use agreement;

(2) the termination or discontinuance of the franchise between the parties to the specific use agreement as a result of the owner:

(A) discontinuing all line-makes applicable to the necessary real estate that are under the control of a manufacturer or distributor holding property use rights for the necessary real estate under the specific use agreement;

(B) ceasing to do business in this state; or

(C) changing the distributor or method of distribution of the owner’s products in this state;

(3) the 10th anniversary of the date the dealership opens for business; or

(4) any time after the expiration of nine years from the date the dealership opens for business if the transferee has performed all the transferee’s financial duties as provided by the contract and title to the property has passed to the transferee.

(f) Unless a specific use agreement associated with the sale of property expressly provides otherwise, there is no penalty for the full performance by the transferee and transfer of title to the transferee prior to the time set forth by the contract’s terms.
SECTION 2. Subsection (d), Section 2301.6521, Occupations Code, is amended to read as follows:

(d) A franchised dealer may not protest an application to relocate a dealership under this section if the proposed relocation site is not:

1. more than two miles from the site where the dealership is currently located;

or

2. closer to the franchised dealer than the site from which the dealership is being relocated.

SECTION 3. Section 2301.483, Occupations Code, as added by this Act, applies only to an agreement entered into or renewed under Chapter 2301, Occupations Code, on or after the effective date of this Act. An agreement entered into or renewed before that date is governed by the law in effect on the date the agreement was entered into or renewed, and the former law is continued in effect for that purpose.

SECTION 4. Subsection (d), Section 2301.6521, Occupations Code, as amended by this Act, applies only to an application to relocate a dealership that is made on or after the effective date of this Act. An application made before that date is governed by the law in effect on the date the application was made, and the former law is continued in effect for that purpose.

SECTION 5. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.

Passed the Senate on May 1, 2013: Yeas 31, Nays 0; passed the House on May 22, 2013: Yeas 142, Nays 6, two present not voting.

Approved June 14, 2013.

Effective June 14, 2013.

CHAPTER 1339

S.B. No. 894

AN ACT

relating to real property within the Capitol complex.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Subchapter F, Chapter 2165, Government Code, is amended by adding Section 2165.259 to read as follows:

Sec. 2165.259. CAPITOL COMPLEX. (a) In this section, “Capitol complex” has the meaning assigned by Section 443.0071.

(b) Notwithstanding Subchapter D, the commission may not lease, sell, or otherwise dispose of real property or an interest in real property located in the Capitol complex.

(c) This section does not affect the commission’s authority under Subchapter E to lease space in state office buildings and parking garages.

SECTION 2. Subchapter A, Chapter 2267, Government Code, as added by Chapter 1334 (S.B. 1048), Acts of the 82nd Legislature, Regular Session, 2011, is amended by adding Section 2267.005 to read as follows:

Sec. 2267.005. QUALIFYING PROJECTS IN CAPITOL COMPLEX. The Texas Facilities Commission may develop or operate a qualifying project located in the Capitol complex, as defined by Section 443.0071, as provided by this chapter only if specifically granted the authority by the legislature.

SECTION 3. Subsection (d), Section 31.155, Natural Resources Code, is amended to read as follows: