

BILL ANALYSIS

Senate Research Center

H.B. 1733
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Finance
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In 2006, the Texas Supreme Court, in *Norris v. Thomas* (215 S.W. 3d 851), rendered a ruling that prevents individuals from claiming a habitable boat as a principal residence or homestead. This decision, which prohibits homestead protections for habitable boats, would expose the property to seizure for bankruptcy. The justices ruled that, in order to qualify for a homestead exemption, a place of residence had to sit on dry land. The boat owners in *Norris* claimed that the vessel, as a four-bedroom, three-bathroom home complete with plumbing and utilities, should be considered their primary residence. The Texas Property Code does not expressly exclude boats but it defines homesteads as sitting on dry land.

H.B. 1733 provides that a structure not affixed to land, including a manufactured home or a houseboat, that is designed or adapted for human residence, is used as a residence, and is occupied by the homestead claimant as the claimant's principal residence is a homestead.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to any state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 41.002, Property Code, by adding Subsection (c-1), as follows:

(c-1) Provides that a structure not affixed to land, including a manufactured home or a houseboat, that is designed or adapted for human residence, is used as a residence, and is occupied by the homestead claimant as the claimant's principal residence is a homestead. Provides that Section 2.001(a) (providing that except for certain cases, a manufactured home is personal property) or a similar statute does not affect a homestead designation under this subsection.

SECTION 2. Effective date: September 1, 2007.