

By: Garcia of Bexar

H.B. No. 5642

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the disclosure of information regarding a transfer on
3 death deed in certain residential real property transactions.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Subchapter L, Chapter 1101, Occupations Code, is
6 amended by adding Section 1101.562 to read as follows:

7 Sec. 1101.562. DISCLOSURE OF INFORMATION REGARDING

8 TRANSFER ON DEATH DEED. (a) In this section:

(A) single-family house;

11 (B) duplex, triplex, or quadraplex; or

15 (2) "Transfer on death deed" has the meaning assigned
16 by Section [114.002](#), Estates Code.

17 (b) At the time of a license holder's first substantive
18 communication with a party relating to a proposed purchase of
19 specific residential real property, the license holder shall
20 provide to the party written notice in at least a 10-point font that
21 provides information regarding a transfer on death deed. The notice
22 must:

23 (1) describe a transfer on death deed, including:

24 (A) the benefits of a transfer on death deed;

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10 (c) The commission by rule shall prescribe the text of the
11 notice required under Subsection (b).

12 (d) A license holder shall provide the notice required under
13 Subsection (b) by:

14 (1) personal delivery;

17 (3) e-mail, including by providing the notice:

19 (B) as an attachment to an e-mail; or

22 (e) A license holder is not required to provide the notice
23 required by Subsection (b) if:

1 that property.

2 (f) The commission shall publish and make available on the
3 commission's Internet website the notice required under Subsection
4 (b).

5 (g) A license holder shall maintain a link to the notice
6 required under Subsection (b) in a prominent location on the home
7 page of each Internet website maintained by the license holder for
8 advertising the license holder's services.

9 (h) At the time an offer to purchase residential real
10 property is signed, the license holder assisting the buyer with the
11 offer shall advise each buyer, in writing, that the buyer may
12 execute a transfer on death deed for the property.

13 SECTION 2. (a) Not later than December 1, 2025, the Texas
14 Real Estate Commission shall adopt rules to implement Section
15 1101.562, Occupations Code, as added by this Act.

16 (b) Section 1101.562, Occupations Code, as added by this
17 Act, applies only to conduct that occurs on or after January 1,
18 2026. Conduct that occurs before January 1, 2026, is governed by
19 the law in effect immediately before the effective date of this Act,
20 and the former law is continued in effect for that purpose.

21 SECTION 3. This Act takes effect September 1, 2025.