

S.B. No. 16

AN ACT

relating to real property theft and real property fraud; establishing recording requirements for certain documents concerning real property; creating the criminal offenses of real property theft and real property fraud and establishing a statute of limitations, restitution, and certain procedures with respect to those offenses.

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

SECTION 1. Article 12.01, Code of Criminal Procedure, as amended by H.B. 1778, S.B. 127, and S.B. 2798, Acts of the 89th Legislature, Regular Session, 2025, and effective September 1, 2025, is reenacted and amended to read as follows:

Art. 12.01. FELONIES. Except as provided in Articles 12.015 and 12.03, felony indictments may be presented within these limits, and not afterward:

(1) no limitation:

(A) murder and manslaughter;

(B) sexual assault under Section 22.011(a)(2), Penal Code, or aggravated sexual assault under Section 22.021(a)(1)(B), Penal Code;

(C) sexual assault, if:

(i) during the investigation of the offense biological matter is collected and the matter:

(a) has not yet been subjected to forensic DNA testing; or

(b) has been subjected to forensic DNA testing and the testing results show that the matter does not match the victim or any other person whose identity is readily ascertained; or

(ii) probable cause exists to believe that the defendant has committed the same or a similar sex offense against five or more victims;

(D) continuous sexual abuse of young child or disabled individual under Section 21.02, Penal Code;

(E) indecency with a child under Section 21.11, Penal Code;

(F) an offense involving leaving the scene of a collision under Section 550.021, Transportation Code, if the collision resulted in the death of a person;

(G) trafficking of persons under Section 20A.02(a) (7) or (8), Penal Code;

(H) continuous trafficking of persons under Section 20A.03, Penal Code;

(I) compelling prostitution under Section

43.05(a)(2) or (3), Penal Code;

(J) tampering with physical evidence under Section 37.09(a)(1) or (d)(1), Penal Code, if:

(i) the evidence tampered with is a human corpse, as defined by that section; or

(ii) the investigation of the offense shows that a reasonable person in the position of the defendant at the time of the commission of the offense would have cause to believe that the evidence tampered with is related to a criminal homicide under Chapter 19, Penal Code;

(K) interference with child custody under Section 25.03(a)(3), Penal Code;

(L) burglary under Section 30.02, Penal Code, if:

(i) the offense is punishable under Subsection (d) of that section because the defendant entered a habitation with the intent to commit an offense under Section 22.011 or 22.021, Penal Code; and

(ii) during the investigation of the offense biological matter is collected and the matter:

(a) has not yet been subjected to forensic DNA testing; or

(b) has been subjected to forensic DNA testing and the testing results show that the matter does not match the victim or any other person whose identity is readily

ascertained;

(M) failure to stop or report sexual or assaultive offense against child under Section 38.17, Penal Code; or

(N) continuous promotion of prostitution under Section 43.032, Penal Code;

(2) ten years from the date of the commission of the offense:

(A) theft of any estate, real, personal or mixed, by an executor, administrator, guardian or trustee, with intent to defraud any creditor, heir, legatee, ward, distributee, beneficiary or settlor of a trust interested in such estate;

(B) theft by a public servant of government property over which the public servant exercises control in the public servant's official capacity;

(C) forgery or the uttering, using, or passing of forged instruments;

(D) injury to an elderly or disabled individual punishable as a felony of the first degree under Section 22.04, Penal Code;

(E) sexual assault, except as provided by Subdivision (1) or (10) [~~(9)~~];

(F) arson;

(G) trafficking of persons under Section 20A.02(a) (1), (2), (3), or (4), Penal Code; [~~or~~]

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(H) compelling prostitution under Section
43.05(a)(1), Penal Code;

(I) real property theft under Section 31.23, Penal
Code; or

(J) real property fraud under Section 32.60, Penal
Code;

(3) seven years from the date of the commission of the
offense:

(A) an offense under Chapter 32, Penal Code, except
as provided by Subdivision (2)(C) or (J);

(B) a felony violation under Chapter 162, Tax Code;

(C) money laundering;

(D) health care fraud under Section 35A.02, Penal
Code;

(E) bigamy under Section 25.01, Penal Code, except
as provided by Subdivision (7); or

(F) possession or promotion of child pornography
under Section 43.26, Penal Code;

(4) five years from the date of the commission of the
offense:

(A) theft or robbery;

(B) except as provided by Subdivision (5),
kidnapping;

(C) except as provided by Subdivision (1) or (5),

burglary;

(D) injury to an elderly or disabled individual that is not punishable as a felony of the first degree under Section 22.04, Penal Code;

(E) abandoning or endangering an elderly or disabled individual;

(F) insurance fraud;

(G) assault under Section 22.01, Penal Code, if the assault was committed against a person whose relationship to or association with the defendant is described by Section 71.0021(b), 71.003, or 71.005, Family Code;

(H) continuous violence against the family under Section 25.11, Penal Code; or

(I) aggravated assault under Section 22.02, Penal Code;

(5) if the investigation of the offense shows that the victim is younger than 17 years of age at the time the offense is committed, 20 years from the 18th birthday of the victim of one of the following offenses:

(A) kidnapping under Section 20.03, Penal Code, or aggravated kidnapping under Section 20.04, Penal Code; or

(B) subject to Subdivision (1)(L), burglary under Section 30.02, Penal Code, if the offense is punishable under Subsection (d) of that section because the defendant entered a

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habitation with the intent to commit an offense described by Subdivision (1)(B) or (D) of this article or Paragraph (A) of this subdivision;

(6) 20 years from the 18th birthday of the victim of one of the following offenses:

(A) trafficking of a child under Section 20A.02(a)(5) or (6), Penal Code; or

(B) sexual performance by a child under Section 43.25, Penal Code;

(7) ten years from the 18th birthday of the victim of the offense:

(A) injury to a child under Section 22.04, Penal Code;

(B) bigamy under Section 25.01, Penal Code, if the investigation of the offense shows that the person, other than the legal spouse of the defendant, whom the defendant marries or purports to marry or with whom the defendant lives under the appearance of being married is younger than 18 years of age at the time the offense is committed; or

(C) abandoning or endangering a child;

(8) ten years from the date the offense was discovered: trafficking of a disabled individual under Section 20A.02(a)(5) or (6), Penal Code;

(9) four years from the date the offense was discovered:

failure to report child abuse or neglect if the offense is punishable as a state jail felony under Section 261.109(c), Family Code;

(10) two years from the date the offense was discovered: sexual assault punishable as a state jail felony under Section 22.011(f)(2), Penal Code; or

(11) three years from the date of the commission of the offense: all other felonies.

SECTION 2. Title 1, Code of Criminal Procedure, is amended by adding Chapter 5C to read as follows:

CHAPTER 5C. PROCEDURES FOR REAL PROPERTY THEFT AND FRAUD

Art. 5C.001. INFORMATION TO BE INCLUDED IN JUDGMENT OR ORDER.

For an offense under Section 31.23 or 32.60, Penal Code, the judgment of conviction or order of deferred adjudication must include:

(1) the street address or legal description of the real property that the court finds to be included in the conduct constituting the offense; and

(2) the identifying reference number assigned by the county clerk to each document:

(A) that relates to real property that the court finds to be included in the conduct constituting the offense; and

(B) that is recorded in the real property records of the county.

Art. 5C.002. JUDGMENT OR ORDER TO BE FILED WITH COUNTY CLERK.

Not later than the 10th day after the date the court enters a judgment of conviction or order of deferred adjudication for an offense under Section 31.23 or 32.60, Penal Code, the prosecutor or court clerk, as determined by local court rule, shall file with the county clerk:

(1) a certified copy of the judgment or order for recording in the real property records of the county where the real property that is the subject of the offense is located;

(2) a statement explaining the filing; and

(3) if the judgment or order does not comply with Article 5C.001, a certified copy of the indictment.

Art. 5C.003. EFFECT OF NONCOMPLIANCE. A judgment of conviction or order of deferred adjudication for an offense under Section 31.23 or 32.60, Penal Code, is not invalid solely because the judgment or order fails to comply with Article 5C.001 or 5C.002.

SECTION 3. Chapter 42, Code of Criminal Procedure, is amended by adding Article 42.0376 to read as follows:

Art. 42.0376. RESTITUTION FOR REAL PROPERTY THEFT. (a) Except as provided by Subsection (b) and subject to Subsection (c), the court shall order a defendant convicted of or placed on deferred adjudication community supervision for an offense under Section 31.23, Penal Code, to pay restitution, as applicable:

(1) for an offense under Section 31.23(b)(1), to the owner of the real property or nonpossessory interest in real property that is the subject of the offense in an amount equal to the value of the real property or nonpossessory interest;

(2) for an offense under Section 31.23(b)(2), to the owner of the benefit that is the subject of the offense in an amount equal to the value of the benefit;

(3) to a title company or insurer that paid a claim based on the conduct constituting the offense, in an amount equal to the value of the payment made by the title company or insurer;
or

(4) to the owner of the real property or nonpossessory interest in real property or the owner of the benefit in an amount equal to, as applicable:

(A) the value of losses incurred as a reasonably foreseeable result of the conduct constituting the offense, including loss of or damage to:

(i) personal property, including machinery or vehicles located on or in the real property that is the subject of the offense;

(ii) trees, landscaping, flora, and growing or harvested agricultural commodities placed or maintained on the real property by the owner, regardless of the state of growth; or

(iii) a structure attached to the real

property that is not included in the market value of the property for the tax year in which the offense was committed, as indicated on the appraisal roll for the appraisal district in which the real property is located; or

(B) reasonable attorney's fees and court costs related to an action brought to quiet title to or dispute the conveyance or possession of the real property that is the subject of the offense.

(b) The court may not order a defendant convicted of or placed on deferred adjudication community supervision for an offense under Section 31.23(b)(1), Penal Code, to pay restitution under Subsection (a)(1) if, before a judgment of conviction or order of deferred adjudication is entered in the case, the defendant:

(1) is listed in the county real property records as the owner of the real property or nonpossessory interest in real property that is the subject of the offense;

(2) executes a quitclaim deed or other instrument conveying the title or interest to the owner of the property or interest;

(3) files for recording in the county real property records the quitclaim deed or other instrument; and

(4) provides to the court a certified copy of the recorded quitclaim deed or other instrument.

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(c) The court shall reduce the amount of restitution that a defendant is ordered to pay under Subsection (a)(1) by an amount equal to the value of a payment made by a title company or insurer for a claim based on the conduct constituting the offense to the person to whom the court orders the defendant to pay restitution.

SECTION 4. Section 51.901, Government Code, is amended by adding Subsection (g) to read as follows:

(g) If an individual advises a county clerk that a document or instrument that purports to convey an interest in real property and that was filed for recording with the county clerk after January 1, 2026, is fraudulent, the county clerk shall provide to law enforcement with jurisdiction in the area where the real property is located notice of the allegation and the photo identification information provided to the county clerk under Section 191.010(b), Local Government Code, by the person who presented the document or instrument to the county clerk for filing.

SECTION 5. Section 405.022, Government Code, is amended by adding Subsections (e), (f), and (g) to read as follows:

(e) If a document to create a lien on real property is filed with the secretary of state by an inmate or on behalf of an inmate and a purported debtor or obligor named in the document is an employee or board member of the Texas Department of Criminal Justice who believes the document was fraudulently filed, the

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purported debtor or obligor may, under penalty of perjury, file an affidavit stating the impermissibility of the document with the secretary of state. The secretary of state shall make a form affidavit for use when filing an affidavit under this subsection. On acceptance of an affidavit properly filed under this subsection, the secretary of state shall:

(1) request the assistance of the attorney general to determine whether the document was fraudulently filed; and

(2) file a termination statement with respect to the document identified in the affidavit if the attorney general determines that the document was fraudulently filed.

(f) For purposes of a request under Subsection (e), the attorney general may request the filer provide to the attorney general documentation supporting the existence of the lien, including documents described by Subsection (c).

(g) Notwithstanding Section 9.520, Business & Commerce Code, the secretary of state may refuse to accept for filing a record purporting to create a lien on real property if the attorney general determines under Subsection (a) that the document submitted for filing is fraudulent.

SECTION 6. The heading to Section 191.010, Local Government Code, is amended to read as follows:

Sec. 191.010. AUTHORITY TO REQUIRE PHOTO IDENTIFICATION TO FILE CERTAIN DOCUMENTS [~~IN CERTAIN COUNTIES~~].

SECTION 7. Section 191.010(b), Local Government Code, is amended to read as follows:

(b) A county clerk shall ~~[in a county that allows for electronic filing of documents in the real property records of the county may]~~ require a person presenting a document in person for filing in the real property records of the county to present a photo identification to the clerk. The clerk shall ~~[may]~~ copy the photo identification or record information from the photo identification. The clerk may not charge a person a fee to copy or record the information from a photo identification.

SECTION 8. Section 31.01(4), Penal Code, is amended to read as follows:

(4) "Appropriate" means:

(A) to bring about a transfer or purported transfer of title to or other nonpossessory interest in property other than real property, whether to the actor or another; or

(B) to acquire or otherwise exercise control over property other than real property.

SECTION 9. Chapter 31, Penal Code, is amended by adding Section 31.23 to read as follows:

Sec. 31.23. REAL PROPERTY THEFT. (a) In this section:

(1) "Disabled individual" and "elderly individual" have the meanings assigned by Section 22.04.

(2) "Nonpossessory interest" includes an interest that

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may be conveyed by a quitclaim deed or conditional transfer.

(3) "Owner" includes an owner's estate and known successors in interest if the owner is deceased.

(4) "Transfer" has the meaning assigned by Section 12.019, Property Code.

(b) A person commits an offense if the person:

(1) brings about or attempts to bring about a transfer or purported transfer of real property or title to real property or a nonpossessory interest in real property, to any transferee or intended transferee:

(A) without the effective consent of the owner of the real property or the nonpossessory interest in real property; and

(B) with the intent to deprive the owner of the real property or the nonpossessory interest in the real property; or

(2) sells or otherwise transfers or encumbers, or attempts to sell or otherwise transfer or encumber, real property or title to real property or a nonpossessory interest in real property to or with respect to a person in exchange for a benefit from any person:

(A) without the effective consent of the owner of the benefit; and

(B) with the intent to deprive the owner of the

benefit.

(c) Except as provided by Subsection (e), an offense under Subsection (b) (1) is:

(1) a felony of the second degree if it is shown on the trial of the offense that the market value of the real property is less than \$300,000; or

(2) a felony of the first degree if it is shown on the trial of the offense that the market value of the real property is \$300,000 or more.

(d) Except as provided by Subsection (e), an offense under Subsection (b) (2) is:

(1) a felony of the third degree if it is shown on the trial of the offense that the value of the benefit received is less than \$30,000;

(2) a felony of the second degree if it is shown on the trial of the offense that the value of the benefit received is \$30,000 or more but less than \$150,000; or

(3) a felony of the first degree if it is shown on the trial of the offense that the value of the benefit received is \$150,000 or more.

(e) An offense described for purposes of punishment by Subsections (c) and (d) is increased to the next higher category of offense if it is shown on the trial of the offense that at the time of the offense:

(1) the owner of the real property or nonpossessory interest in real property or the owner of the benefit was:

(A) an elderly individual;

(B) a disabled individual; or

(C) a nonprofit organization; or

(2) the real property was subject to a property tax exemption under Subchapter B, Chapter 11, Tax Code, as an individual's residence homestead as defined by Section 11.13(j), Tax Code.

(f) For purposes of Subsection (c), the market value of real property is the market value of that property for the tax year in which the offense was committed, as indicated on the appraisal roll for the appraisal district in which the property is located.

(g) If conduct that constitutes an offense under this section also constitutes an offense under another law, the actor may be prosecuted under this section, the other law, or both.

SECTION 10. Subchapter D, Chapter 32, Penal Code, is amended by adding Section 32.60 to read as follows:

Sec. 32.60. REAL PROPERTY FRAUD. (a) In this section:

(1) "Deception" has the meaning assigned by Section 31.01.

(2) "Disabled individual" and "elderly individual" have the meanings assigned by Section 22.04.

(3) "Document" and "effective consent" have the meanings

assigned by Section 32.46.

(b) A person commits an offense if the person:

(1) intentionally or knowingly makes a materially false or misleading written statement to obtain real property; or

(2) with the intent to defraud or harm any person:

(A) causes another person, without that person's effective consent, to sign or execute any document affecting real property or any person's interest in real property; or

(B) causes a public servant, without the public servant's effective consent, to file or record any purported judgment or other document purporting to memorialize or evidence:

(i) title to real property or any person's interest in real property; or

(ii) a lien or claim against real property or against any person's interest in real property.

(c) Except as provided by Subsection (d), an offense under this section is:

(1) a felony of the second degree if it is shown on the trial of the offense that the market value of the real property or the value of the interest in the real property is less than \$300,000; or

(2) a felony of the first degree if it is shown on the trial of the offense that the market value of the real property or the value of the interest in the real property is \$300,000 or more.

(d) An offense described for purposes of punishment by Subsection (c) is increased to the next higher category of offense if it is shown on the trial of the offense that at the time of the offense:

(1) the owner of the real property was:

(A) an elderly individual;

(B) a disabled individual; or

(C) a nonprofit organization; or

(2) the real property was subject to a property tax exemption under Subchapter B, Chapter 11, Tax Code, as an individual's residence homestead as defined by Section 11.13(j), Tax Code.

(e) For purposes of Subsection (c), the market value of real property is the market value of that property for the tax year in which the offense was committed, as indicated on the appraisal roll for the appraisal district in which the property is located.

SECTION 11. Section 12.001(b), Property Code, is amended to read as follows:

(b) An instrument conveying real property may not be recorded unless:

(1) it is signed and acknowledged or sworn to by the grantor in the presence of two or more credible subscribing witnesses or acknowledged or sworn to before and certified by an officer authorized to take acknowledgements or oaths, as

applicable; and

(2) any individual presenting the instrument in person for recording presents a photo identification to the county clerk as required by Section 191.010, Local Government Code.

SECTION 12. The changes in law made by this Act apply only to an offense committed on or after the effective date of this Act. An offense committed before the effective date of this Act is governed by the law in effect on the date the offense was committed, and the former law is continued in effect for that purpose. For purposes of this section, an offense was committed before the effective date of this Act if any element of the offense was committed before that date.

SECTION 13. The changes in law made by this Act in amending Article 12.01, Code of Criminal Procedure, do not apply to an offense if the prosecution of that offense becomes barred by limitation before the effective date of this Act. The prosecution of that offense remains barred as if this Act had not taken effect.

SECTION 14. (a) Except as provided by Subsection (b) of this section, this Act takes effect on the 91st day after the last day of the legislative session.

(b) Section 51.901(g), Government Code, as added by this Act, takes effect January 1, 2026.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 16 passed the Senate on August 18, 2025, by the following vote: Yeas 30, Nays 0; and that the Senate concurred in House amendment on August 27, 2025, by the following vote: Yeas 27, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 16 passed the House, with amendment, on August 26, 2025, by the following vote: Yeas 138, Nays 0, one present not voting.

Chief Clerk of the House

Approved:

Date

Governor