

ESTATES CODE

TITLE 2. ESTATES OF DECEDENTS; DURABLE POWERS OF ATTORNEY

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PROPERTY IN GENERAL

CHAPTER 116. BENEFICIARY DESIGNATION FOR CERTAIN MANUFACTURED

HOMES

Sec. 116.001. DEFINITIONS. In this chapter:

(1) "Beneficiary designation" means the designation by an owner of a manufactured home of one or more beneficiaries of the home as provided by Section 1201.2135, Occupations Code.

(2) "Designated beneficiary" means a person designated as a beneficiary of an owner's interest in a manufactured home under Section 1201.2135, Occupations Code.

(3) "Joint owner with right of survivorship" or "joint owner" means a person who owns a manufactured home concurrently with one or more other persons with a right of survivorship. The term does not include an owner of community property with or without a right of survivorship.

(4) "Manufactured home" has the meaning assigned by Section 1201.003, Occupations Code.

(5) "Person" has the meaning assigned by Section 311.005, Government Code.

Added by Acts 2025, 89th Leg., R.S., Ch. 865 (S.B. 1940), Sec. 1, eff. September 1, 2025.

Sec. 116.002. APPLICABILITY. This chapter applies only to a manufactured home classified as personal property under Section 2.001, Property Code.

Added by Acts 2025, 89th Leg., R.S., Ch. 865 (S.B. 1940), Sec. 1, eff. September 1, 2025.

Sec. 116.003. BENEFICIARY DESIGNATION AUTHORIZED. (a) An owner of a manufactured home may transfer the owner's interest in the home to one or more beneficiaries effective on the owner's death by designating each beneficiary as provided by Section 1201.2135, Occupations Code.

(b) A beneficiary designation is:

(1) subject to Section 116.004(b), revocable and may be changed at any time without the consent of the designated beneficiaries as provided by Section 1201.2135, Occupations Code;

(2) a nontestamentary instrument; and

(3) effective without:

(A) notice or delivery to or acceptance by the designated beneficiaries during the owner's life; or

(B) consideration.

(c) A will may not revoke or supersede a beneficiary designation, regardless of when the will is made.

(d) A designated beneficiary may disclaim the designated beneficiary's interest in the manufactured home as provided by Chapter 240, Property Code.

Added by Acts 2025, 89th Leg., R.S., Ch. 865 (S.B. 1940), Sec. 1, eff. September 1, 2025.

Sec. 116.004. JOINT OWNERSHIP. (a) If a manufactured home that is the subject of a beneficiary designation is owned by joint owners with right of survivorship, the beneficiary designation must be made by all of the joint owners.

(b) A beneficiary designation made by joint owners with right of survivorship:

(1) may be revoked or changed as provided by Section 1201.2135, Occupations Code, only if it is revoked or changed by all of the joint owners; and

(2) may be revoked or changed by the last surviving joint owner as provided by Section 1201.2135, Occupations Code.

Added by Acts 2025, 89th Leg., R.S., Ch. 865 (S.B. 1940), Sec. 1, eff. September 1, 2025.

Sec. 116.005. EFFECT OF BENEFICIARY DESIGNATION DURING OWNER'S LIFE. During a manufactured home owner's life, a beneficiary designation does not:

(1) affect an interest or right of the owner or owners making the designation, including the right to transfer or encumber the home that is the subject of the designation;

(2) create a legal or equitable interest in favor of a designated beneficiary in the home that is the subject of the designation, even if the beneficiary has actual or constructive notice of the designation;

(3) affect an interest or right of a secured or unsecured creditor or future creditor of the owner or owners making the designation, even if the creditor has actual or constructive notice of the designation; or

(4) affect an owner's or any designated beneficiary's eligibility for any form of public assistance, subject to applicable federal law.

Added by Acts 2025, 89th Leg., R.S., Ch. 865 (S.B. 1940), Sec. 1, eff. September 1, 2025.

Sec. 116.006. EFFECT OF BENEFICIARY DESIGNATION AT OWNER'S OR LAST SURVIVING OWNER'S DEATH. (a) On the death of the owner of a manufactured home that is the subject of a beneficiary designation, the following rules apply to an interest in the home:

(1) if any designated beneficiary survives the owner making the designation by 120 hours, the interest in the home is transferred to each surviving designated beneficiary; and

(2) if each designated beneficiary fails to survive the owner making the designation by 120 hours, the share of each designated beneficiary lapses, notwithstanding Section 111.052, and is subject to and passes in accordance with Subchapter D, Chapter 255, as if each beneficiary designation were a devise made in a will.

(b) If an owner is a joint owner with right of survivorship who is survived by one or more other joint owners, the manufactured home that is the subject of a beneficiary designation belongs to the surviving joint owner or owners. If an owner is a joint owner with right of survivorship who is the last surviving joint owner, the beneficiary designation is effective.

(c) A designated beneficiary takes the manufactured home subject to all encumbrances, assignments, contracts, liens, and other interests to which the home is subject at the owner's or last surviving owner's death, as applicable. The transfer to one or

more designated beneficiaries does not affect the ability of a lienholder to pursue an existing means of debt collection permitted under the laws of this state.

Added by Acts 2025, 89th Leg., R.S., Ch. 865 (S.B. 1940), Sec. 1, eff. September 1, 2025.

Sec. 116.007. CREDITOR CLAIMS; ALLOWANCES IN LIEU OF EXEMPT PROPERTY AND FAMILY ALLOWANCES. Sections 114.104(b), (c), and (d) and Section 114.106 apply to a transfer of an owner's interest in a manufactured home by a beneficiary designation in the same manner and to the same extent as a transfer of real property under a transfer on death deed under Chapter 114.

Added by Acts 2025, 89th Leg., R.S., Ch. 865 (S.B. 1940), Sec. 1, eff. September 1, 2025.