



**AN ORDER ESTABLISHING RULES FOR CONDUCTING A PUBLIC AUCTION FOR
TAX SALES USING ONLINE BIDDING AND SALES**

WHEREAS, Texas Tax Code § 33.93 provides that a tax warrant shall direct the sheriff, a constable, or the tax accessor-collector for a county to seize property described in the warrant; and

WHEREAS, the Sheriff and Constables for the County of Hidalgo, Texas are charged by Texas Tax Code § 34.01 with the sale of property seized under a tax warrant or ordered sold pursuant to the foreclosure of a tax lien; and

WHEREAS, the Sheriff and Constables for the County of Hidalgo County, Texas do hold sales of real property conducted by means of a public auction in accordance with Chapter 34 of the Texas Tax Code; and

WHEREAS, the sale of properties at this auction provides the County with its primary resource for recouping delinquent tax monies owed to the County and other taxing entities within the County; and

WHEREAS, Texas Tax Code § 34.01(a-1) states that a county commissioners court may authorize an officer charged with selling property under this section to conduct a public auction using online bidding and sale, and authorizes a commissioners court to adopt rules governing online auctions; and

WHEREAS, the Commissioners Court finds that the authorization of the use of online bidding and sale by the Sheriff and Constables will serve a public purpose in that it will potentially increase the number of successful property sales at such auctions, and therefore increasing the amount of delinquent tax funds recovered by the County and other taxing entities within its jurisdiction;

NOW, THEREFORE, BE IT ORDERED BY THE COMMISSIONERS COURT of HIDALGO COUNTY that:

1. The Hidalgo County Commissioners Court hereby establishes the Hidalgo County Rules for Conducting a Public Auction for Tax Sales Using Online Bidding and Sale, attached hereto as Exhibit "A";
2. These rules shall be published in the real property records of the County of Hidalgo; and
3. These rules shall be utilized no earlier than the 90th day after they are published in the real property records of the County.

Passed and Adopted, this 10th day of December, 2019.

HIDALGO COUNTY RULES FOR CONDUCTING A PUBLIC AUCTION FOR TAX SALES USING ONLINE BIDDING AND SALE

1. Purpose

The Commissioners Court of the County of Hidalgo, Texas (Commissioners Court) has authorized the use of online bidding and sale for officers charged with the sale of real property within the County that was seized under a tax warrant issued under Subchapter E of Chapter 33 of the Texas Tax Code or ordered sold pursuant to the foreclosure of a tax lien.

The purpose of the Hidalgo County Rules for Conducting a Public Auction for Tax Sales Using Online Bidding and Sale (the Rules), is to provide guidelines for the Hidalgo County Sheriff and Hidalgo County Constables (Officers) when utilizing an online means of conducting bidding and sale, and to provide any person interested in participating in an online auction with notice of the procedures utilized by the County in conducting online auctions.

All public auctions conducted for the purpose of tax sale, whether live or online must conform to Chapter 34 of the Texas Tax Code. To the extent that these rules conflict with Chapter 34 of the Tax Code, the Tax Code prevails.

2. Pre-Auction Procedures:

2.1. Prior to conducting an online auction, and Officer must calculate the amount due, provide written notice of sale, and fulfill any additional duties as if the sale is to be conducted in-person, in accordance with Chapter 34 of the Texas Tax Code. Notice of sale for properties that are to be sold online may also be posted online.

2.2. Any person who is interested in participating in an online auction must provide to the officer conducting the sale, either online or in person:

i. an unexpired written statement from the Hidalgo County Tax-Assessor Collector stating whether or not the person owes delinquent taxes to the County, and that there are no known or reported delinquent ad valorem taxes owed by the person to each school district or municipality within the County. The party must provide this statement to the Officer at the very latest one (1) day before the auction is to begin. Any person who does not provide the officer with this statement is not eligible to bid;

ii. a copy of a government issued identification document bearing the name on the written statement described above; and

iii. a mailing address where a Sheriff's Deed shall be sent in the event that the bidder is successful at auction;

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2.3. The officer, upon satisfaction that the person interested in online bidding has provided the information above, shall maintain a list of the names and mailing addresses of individuals eligible to bid online during a given sale.

2.4 Online bidders must provide a pre-authorization amount of seven-hundred and fifty dollars (\$750.00) via credit or debit card. Cash or checks will not be accepted. This authorization will be facilitated online and no pre-authorizations will be accepted in person. The officer shall collect the pre-authorized amount only in the event that an online bidder wins an auction but does not pay for the property in full in the amount of time allotted in these rules.

2.5 At any time prior to the start of an online auction, the officer may remove the property from auction.

2.6 Online bidders are advised that the ability to bid online is an optional resource provided by the County and thus they may chose to become a live bidder at any time. Similarly, the County may refuse to allow an individual to bid online if there is any indication that the bidder has attempted, is attempting, or will attempt to avoid the requirements set out by these rules or by the Texas Tax Code.

3. Auction Procedures:

3.1 Online tax sales shall be conducted at the same date and time as live auctions. As such, they shall be conducted on the first Tuesday of each month, unless January 1 or July 4 occurs on Tuesday, the first Wednesday of the month. The sale shall be conducted between 10 a.m. and 4 p.m., Central Time. As with a live auction, the Officer shall have the authority to set the start and end time of each sale item to facilitate an orderly auction of properties.

3.2. An officer utilizing these rules for online tax sales shall simultaneously conduct a sale for the same property at the location designated by the County for public auctions, accepting online and live bids during the same bidding process.

3.3 Upon opening the floor for bids on a property, the officer shall announce or display to online and live bidders, orally, in writing, or both, the description of the property being auctioned contained in the tax warrant or order for tax sale.

3.4 After announcing the property to be bid, the officer shall announce or display to online and live bidders a uniform bid increment to be utilized by all parties during the auction process.

3.5 Online bidders, whether successful or not, shall be promptly notified that a sale has ended.

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4. Post Auction Procedures:

4.1 A successful online bidder may remit payment online, or as instructed by the officer handling the sale within 72 hours of the close of the online sale. If an online bidder fails to remit payment in full, the sale shall be voided and the property will be awarded to the second highest bidder.

4.2 All online purchasers, as with live purchasers, shall receive a Sheriff's Deed which is without warranty, express or implied.

4.3 All property purchased at an online sale is subject to a statutory right of redemption as set out in the Texas Property Code.

4.4 All completed sales are final.

It is so ordered:

Richard F. Cortez

RICHARD F. CORTEZ
County Judge

David L. Fuentes

DAVID L. FUENTES
County Commissioner, Pct. 1

Eduardo "Eddie" Cantu

EDUARDO "EDDIE" CANTU
County Commissioner, Pct. 2

Joe M. Flores

JOE M. FLORES
County Commissioner, Pct. 3

Ellie Torres

ELLIE TORRES
County Commissioner, Pct. 4

Arturo Guajardo, Jr.



Attest: **ARTURO GUJARDO, JR.**
County Clerk

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APPROVED BY
COMMISSIONERS' COURT
ON: 12/19/19 *rs*