

1-1 By: Lindsay S.B. No. 949
1-2 (In the Senate - Filed March 6, 2003; March 11, 2003, read
1-3 first time and referred to Committee on Intergovernmental
1-4 Relations; April 22, 2003, reported adversely, with favorable
1-5 Committee Substitute by the following vote: Yeas 3, Nays 0;
1-6 April 22, 2003, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 949 By: Wentworth

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to the operation of property owners' associations;
1-11 providing penalties.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Subsection (a), Section 5.006, Property Code, is
1-14 amended to read as follows:

1-15 (a) Except as provided by Section 209.008(f), in [In] an
1-16 action based on breach of a restrictive covenant pertaining to real
1-17 property, the court shall allow to a prevailing party who asserted
1-18 the action reasonable attorney's fees in addition to the party's
1-19 costs and claim.

1-20 SECTION 2. The chapter heading for Chapter 203, Property
1-21 Code, is amended to read as follows:

1-22 CHAPTER 203. ENFORCEMENT OF PROVISIONS RELATING TO LAND USE

1-23 RESTRICTIONS OR PROPERTY OWNERS' ASSOCIATIONS IN CERTAIN COUNTIES

1-24 SECTION 3. Section 203.003, Property Code, is amended to
1-25 read as follows:

1-26 Sec. 203.003. ENFORCEMENT AUTHORITY OF COUNTY ATTORNEY
1-27 [AUTHORIZED TO ENFORCE RESTRICTIONS]. (a) The county attorney
1-28 may:

1-29 (1) sue in a court of competent jurisdiction to enjoin
1-30 or abate a violation of this title by a property owners' association
1-31 or an owner or a violation [violations] of a restriction contained
1-32 or incorporated by reference in a properly recorded plan, plat,
1-33 replat, or other instrument affecting a real property subdivision
1-34 located in the county, regardless of the date on which the
1-35 instrument was recorded; and

1-36 (2) recover from a property owners' association or an
1-37 owner that violates this title a reasonable penalty as determined
1-38 by the court not to exceed:

1-39 (A) \$1,000 for each violation by an association;
1-40 and

1-41 (B) \$100 for each violation by an owner.

1-42 (b) The county attorney may not enforce a restriction
1-43 relating to race or any other restriction that violates the state or
1-44 federal constitution.

1-45 SECTION 4. Section 204.010, Property Code, is amended by
1-46 amending Subsection (a) and adding Subsections (c) and (d) to read
1-47 as follows:

1-48 (a) Unless otherwise provided by the restrictions or the
1-49 association's articles of incorporation or bylaws, the property
1-50 owners' association, acting through its board of directors or
1-51 trustees, may:

1-52 (1) adopt and amend bylaws;

1-53 (2) adopt and amend budgets for revenues,
1-54 expenditures, and reserves and collect regular assessments or
1-55 special assessments for common expenses from property owners;

1-56 (3) hire and terminate managing agents and other
1-57 employees, agents, and independent contractors;

1-58 (4) institute, defend, intervene in, settle, or
1-59 compromise litigation or administrative proceedings on matters
1-60 affecting the subdivision;

1-61 (5) make contracts and incur liabilities relating to
1-62 the operation of the subdivision and the property owners'
1-63 association;

2-1 (6) regulate the use, maintenance, repair,
2-2 replacement, modification, and appearance of the subdivision;

2-3 (7) make additional improvements to be included as a
2-4 part of the common area;

2-5 (8) grant easements, leases, licenses, and
2-6 concessions through or over the common area;

2-7 (9) impose and receive payments, fees, or charges for
2-8 the use, rental, or operation of the common area [~~and for services
2-9 provided to property owners~~];

2-10 (10) impose interest, late charges, and, if
2-11 applicable, returned check charges for late payments of regular
2-12 assessments or special assessments;

2-13 (11) [~~if notice and an opportunity to be heard are
2-14 given, collect reimbursement of actual attorney's fees and other
2-15 reasonable costs incurred by the property owners' association
2-16 relating to violations of the subdivision's restrictions or the
2-17 property owners' association's bylaws and rules,~~

2-18 [~~(12) charge costs to an owner's assessment account
2-19 and collect the costs in any manner provided in the restrictions for
2-20 the collection of assessments,~~

2-21 [~~(13)~~] adopt and amend rules regulating the collection
2-22 of delinquent assessments, provided that any payment by an owner
2-23 for such assessments shall be applied first to pay the delinquent
2-24 assessments [and the application of payments];

2-25 (12) [~~(14)~~] impose reasonable charges for preparing,
2-26 recording, or copying amendments to the restrictions, resale
2-27 certificates, or statements of unpaid assessments;

2-28 (13) [~~(15)~~] purchase insurance and fidelity bonds,
2-29 including directors' and officers' liability insurance, that the
2-30 board considers appropriate or necessary;

2-31 (14) [~~(16)~~] if the restrictions allow for an annual
2-32 increase in the maximum regular assessment without a vote of the
2-33 membership, assess the increase annually or accumulate and assess
2-34 the increase after a number of years,

2-35 [~~(17)~~] subject to the requirements of the Texas
2-36 Non-Profit Corporation Act (Article 1396-1.01 et seq., Vernon's
2-37 Texas Civil Statutes) and by majority vote of its board of
2-38 directors, indemnify a director or officer of the property owners'
2-39 association who was, is, or may be made a named defendant or
2-40 respondent in a proceeding because the person is or was a director;

2-41 (15) [~~(18)~~] if the restrictions vest the
2-42 architectural control authority in the property owners'
2-43 association or if the authority is vested in the property owners'
2-44 association under Section 204.011:

2-45 (A) implement written architectural control
2-46 guidelines and [for its own use or] record the guidelines in the
2-47 real property records of the applicable county; and

2-48 (B) modify the guidelines as the needs of the
2-49 subdivision change;

2-50 (16) [~~(19)~~] exercise other powers conferred by the
2-51 restrictions, its articles of incorporation, or its bylaws;

2-52 (17) [~~(20)~~] exercise other powers that may be
2-53 exercised in this state by a corporation of the same type as the
2-54 property owners' association; and

2-55 (18) [~~(21)~~] exercise other powers necessary and
2-56 proper for the governance and operation of the property owners'
2-57 association.

2-58 (c) If the restrictions or the association's articles of
2-59 incorporation or bylaws do not enumerate one of the following
2-60 powers, the association may obtain the power by following the
2-61 petition procedures prescribed by Section 204.005 for adding to or
2-62 modifying existing restrictions, except that the approval
2-63 requirements of Section 204.005(b)(1) are satisfied if a majority
2-64 of the owners of real property in the subdivision approve the
2-65 petition:

2-66 (1) if notice and an opportunity to be heard are given,
2-67 the power to collect reimbursement of actual attorney's fees and
2-68 other reasonable costs incurred by the property owners' association
2-69 relating to violations of the subdivision's restrictions or the

3-1 property owners' association's bylaws and rules;

3-2 (2) the power to charge costs to an owner's assessment
 3-3 account and collect the costs in any manner provided in the
 3-4 restrictions for the collection of assessments; and

3-5 (3) if the restrictions allow for an annual increase
 3-6 in the maximum regular assessment without a vote of the membership,
 3-7 the power to assess the increase annually or accumulate and assess
 3-8 the increase after a number of years.

3-9 (d) A property owners' association may not exercise a power
 3-10 granted by petition under Subsection (c) before the petition is
 3-11 filed as a dedicatory instrument under Section 204.005(b).

3-12 SECTION 5. Section 209.005, Property Code, is amended to
 3-13 read as follows:

3-14 Sec. 209.005. ASSOCIATION RECORDS. (a) A property owners'
 3-15 association shall make the books and records of the association,
 3-16 including financial records, reasonably available to an owner in
 3-17 accordance with Section B, Article 2.23, Texas Non-Profit
 3-18 Corporation Act (Article 1396-2.23, Vernon's Texas Civil
 3-19 Statutes).

3-20 (b) Records of an owner's payment or nonpayment of regular
 3-21 assessments and special assessments, fees, fines, or any other sums
 3-22 that have been charged to an owner are not subject to inspection by
 3-23 any other owner who is not a member of the association's board or an
 3-24 owner's representative or to production in a legal proceeding,
 3-25 unless:

3-26 (1) the express written approval of the owner whose
 3-27 records are the subject of the request for inspection is submitted
 3-28 to the association; or

3-29 (2) a court of competent jurisdiction orders the
 3-30 inspection or production.

3-31 (c) Salary or payroll records of an association employee
 3-32 that disclose the employee's amount of salary or income are not
 3-33 subject to inspection by an owner who is not a member of the
 3-34 association's board or an owner's representative unless a court
 3-35 orders the inspection.

3-36 (d) The association shall retain records as follows:

3-37 (1) articles of incorporation, bylaws, restrictive
 3-38 covenants, and all amendments to the articles of incorporation,
 3-39 bylaws, and covenants shall be retained permanently;

3-40 (2) owner account records shall be retained for five
 3-41 years;

3-42 (3) a contract shall be retained for five years after
 3-43 expiration of the term of the contract;

3-44 (4) minutes of meetings of the board shall be retained
 3-45 for seven years;

3-46 (5) tax returns and audit records shall be retained
 3-47 for seven years; and

3-48 (6) any other records not specified in this subsection
 3-49 shall be retained for five years.

3-50 (e) If information requested under this section is not
 3-51 available for examination at the time of the request because it is
 3-52 in active use or in storage or if the association is unable to make
 3-53 the information available immediately, the property owners'
 3-54 association or its representative shall certify this fact in
 3-55 writing to the requestor and set a date and time on which the
 3-56 information will be available for inspection that is not later than
 3-57 the 15th business day after the date the association receives the
 3-58 request.

3-59 (f) Any unauthorized removal of an original property
 3-60 owners' association record from the location where it is kept is a
 3-61 violation of this title.

3-62 (g) This section shall be liberally construed in favor of
 3-63 granting a request for information.

3-64 (h) This section does not affect the scope or availability
 3-65 of the attorney-client privilege.

3-66 (i) This section does not apply to a property owners'
 3-67 association that is subject to Chapter 552, Government Code [An
 3-68 attorney's files and records relating to the association, excluding
 3-69 invoices requested by an owner under Section 209.008(d), are not:

4-1 ~~[(1) records of the association,~~
 4-2 ~~[(2) subject to inspection by the owner, or~~
 4-3 ~~[(3) subject to production in a legal proceeding].~~

4-4 SECTION 6. Chapter 209, Property Code, is amended by adding
 4-5 Sections 209.0051 and 209.0052 to read as follows:

4-6 Sec. 209.0051. AVAILABILITY OF ANNUAL BUDGET PROPOSALS.
 4-7 Not later than the 10th business day before the date a property
 4-8 owners' association budget is approved, the budget must be
 4-9 available for inspection as provided by Section 209.005.

4-10 Sec. 209.0052. ASSOCIATION MEETINGS. (a) A property
 4-11 owners' association shall meet at least once each year. Unless the
 4-12 declaration, restrictions, bylaws, or articles of incorporation
 4-13 provide otherwise, a special meeting of the association may be
 4-14 called by a majority of the board or by owners having at least 10
 4-15 percent of the votes in the association.

4-16 (b) Meetings of the association and the board must be open
 4-17 to the owners, subject to the right of the board to adjourn a
 4-18 meeting of the board and reconvene in closed executive session to
 4-19 consider actions involving personnel, pending litigation, contract
 4-20 negotiations, enforcement actions, matters involving the invasion
 4-21 of privacy of an owner, or matters that are to remain confidential
 4-22 by request of the affected parties and agreement of the board. The
 4-23 general nature of any business to be considered in executive
 4-24 session must first be announced at the open meeting.

4-25 (c) Notice of a regular or special meeting of the
 4-26 association must be given as provided by the restrictions, bylaws,
 4-27 or articles of incorporation or, if those instruments do not
 4-28 provide for notice, notice must be given to each owner in the same
 4-29 manner in which notice is given to members of a nonprofit
 4-30 corporation under Section A, Article 2.11, Texas Non-Profit
 4-31 Corporation Act (Article 1396-2.11, Vernon's Texas Civil
 4-32 Statutes).

4-33 (d) Notice of a meeting of the board must be given as
 4-34 provided by the restrictions, bylaws, or articles of incorporation
 4-35 or, if those instruments do not provide for notice, notice must be
 4-36 given to each board member in the same manner in which notice is
 4-37 given to members of the board of a nonprofit corporation under
 4-38 Section B, Article 2.19, Texas Non-Profit Corporation Act (Article
 4-39 1396-2.19, Vernon's Texas Civil Statutes).

4-40 (e) An association, on the written request of an owner,
 4-41 shall inform the owner of the time and place of the next regular or
 4-42 special meeting of the association or board. If the association
 4-43 representative to whom the request is made does not know the time
 4-44 and place of the meeting, the association shall promptly obtain the
 4-45 information and disclose it to the owner or inform the owner where
 4-46 the information may be obtained.

4-47 (f) This section does not apply to an association subject to
 4-48 Chapter 551, Government Code.

4-49 SECTION 7. Section 209.006, Property Code, is amended to
 4-50 read as follows:

4-51 Sec. 209.006. NOTICE REQUIRED BEFORE ENFORCEMENT ACTION.
 4-52 (a) Before a property owners' association may suspend an owner's
 4-53 right to use a common area, file a suit against an owner ~~[other than~~
 4-54 ~~a suit to collect a regular or special assessment or foreclose under~~
 4-55 ~~an association's lien], charge an owner for property damage, or~~
 4-56 levy a fine for a violation of the restrictions or bylaws or rules
 4-57 of the association, the association or its agent must give written
 4-58 notice to the owner by certified mail, return receipt requested.

4-59 (b) The notice must:

4-60 (1) describe the violation or property damage that is
 4-61 the basis for the suspension, suit, ~~[action,~~ charge, or fine and
 4-62 state any amount due the association from the owner; and

4-63 (2) inform the owner that ~~[the owner]~~:

4-64 (A) the owner is entitled to a reasonable period
 4-65 to cure the violation and avoid the suspension, suit, charge, or
 4-66 fine ~~[or suspension]~~ unless the owner was given notice and a
 4-67 reasonable opportunity to cure a similar violation within the
 4-68 preceding six months or within the preceding 12 months for a
 4-69 violation affecting the safety of the neighborhood; ~~[and]~~

5-1 (B) the owner may request a hearing under Section
5-2 209.007 on or before the 30th day after the date the owner receives
5-3 the notice;

5-4 (C) the owner may request that the association
5-5 consider settling the matter through alternative dispute
5-6 resolution services; and

5-7 (D) if applicable, the county in which the
5-8 association is located provides alternative dispute resolution
5-9 services at no cost to the owner.

5-10 SECTION 8. Subsection (c), Section 209.007, Property Code,
5-11 is amended to read as follows:

5-12 (c) The association shall hold a hearing under this section
5-13 not later than the 30th day after the date the board receives the
5-14 owner's request for a hearing and shall notify the owner of the
5-15 date, time, and place of the hearing not later than the 10th day
5-16 before the date of the hearing. The board or the owner may request a
5-17 postponement, and, if requested, a postponement shall be granted
5-18 for a period of not more than 10 days unless the association and the
5-19 owner agree in writing to a longer period. Additional
5-20 postponements may be granted by agreement of the parties. The owner
5-21 or the association may make an audio recording of the meeting.

5-22 SECTION 9. Section 209.008, Property Code, is amended to
5-23 read as follows:

5-24 Sec. 209.008. ATTORNEY'S FEES. (a) A property owners'
5-25 association may collect reimbursement of reasonable attorney's
5-26 fees and other reasonable costs incurred by the association
5-27 relating to collecting amounts, including damages, due the
5-28 association for enforcing restrictions or the bylaws or rules of
5-29 the association only if the owner is provided a written notice that
5-30 attorney's fees and costs will be charged to the owner if the
5-31 delinquency or violation continues after a date certain.

5-32 (b) An owner is not liable for attorney's fees incurred by
5-33 the association relating to a matter described by the notice under
5-34 Section 209.006 if the attorney's fees are incurred before the 60th
5-35 day after the date the owner receives the notice [~~conclusion of the~~
5-36 ~~hearing under Section 209.007 or, if the owner does not request a~~
5-37 ~~hearing under that section, before the date by which the owner must~~
5-38 ~~request a hearing. The owner's presence is not required to hold a~~
5-39 ~~hearing under Section 209.007].~~

5-40 (c) All attorney's fees, costs, and other amounts collected
5-41 from an owner shall be deposited into an account maintained at a
5-42 financial institution in the name of the association or its
5-43 managing agent. Only members of the association's board or its
5-44 managing agent or employees of its managing agent may be
5-45 signatories on the account.

5-46 (d) On written request from the owner, the association shall
5-47 provide copies of invoices for attorney's fees and other costs
5-48 relating only to the matter for which the association seeks
5-49 reimbursement of fees and costs.

5-50 (e) The notice provisions of Subsection (a) do not apply to
5-51 a counterclaim of an association in a lawsuit brought against the
5-52 association by a property owner.

5-53 (f) A court may assess costs of litigation and reasonable
5-54 attorney's fees incurred by a plaintiff or defendant who prevails
5-55 in an action involving a property owners' association, including an
5-56 action by or against a management company or attorney representing
5-57 an association. In exercising its discretion under this
5-58 subsection, the court shall consider whether the action was
5-59 brought, defended, or conducted in good faith.

5-60 (g) An attorney may not enter into a contract or agreement
5-61 to represent a property owners' association in a matter involving
5-62 collection of delinquent regular or special assessments under which
5-63 legal fees are charged to an owner's assessment account and payment
5-64 of the fees is delayed until after the account is collected from the
5-65 owner or the occurrence of another specified event. An attorney who
5-66 provides services described by this subsection may not collect
5-67 payment of legal fees for those services directly from the
5-68 homeowner from whom the association has the right to collect the
5-69 legal fees or defer payment of the fees until the association

6-1 receives payment from the homeowner. This subsection does not
 6-2 prohibit an attorney from collecting a debt, including legal fees,
 6-3 and forwarding the amount collected to the association [If the
 6-4 dedicatory instrument or restrictions of an association allow for
 6-5 nonjudicial foreclosure, the amount of attorney's fees that a
 6-6 property owners' association may include in a nonjudicial
 6-7 foreclosure sale for an indebtedness covered by a property owners'
 6-8 association's assessment lien is limited to the greater of:

6-9 ~~[(1) one-third of the amount of all actual costs and~~
 6-10 ~~assessments, excluding attorney's fees, plus interest and court~~
 6-11 ~~costs, if those amounts are permitted to be included by law or by~~
 6-12 ~~the restrictive covenants governing the property; or~~

6-13 ~~[(2) \$2,500].~~

6-14 (h) An owner is not liable for attorney's fees incurred by
 6-15 the property owners' association relating to a matter involving
 6-16 collections of mandatory or special assessments if the attorney's
 6-17 fees are incurred before the 180th day after the assessment is
 6-18 delinquent [~~(g) Subsection (f) does not prevent a property owners'~~
 6-19 ~~association from recovering or collecting attorney's fees in excess~~
 6-20 ~~of the amounts prescribed by Subsection (f) by other means provided~~
 6-21 ~~by law].~~

6-22 SECTION 10. Section 209.009, Property Code, is amended to
 6-23 read as follows:

6-24 Sec. 209.009. FORECLOSURE SALE PROHIBITED IN CERTAIN
 6-25 CIRCUMSTANCES. (a) A property owners' association may not
 6-26 foreclose a property owners' association's assessment lien unless
 6-27 [~~if~~] the debt for which the lien secures payment includes a
 6-28 mandatory regular or special assessment.

6-29 (b) A debt described by Subsection (a) may include:

6-30 (1) any accrued interest on assessments;

6-31 (2) collection costs, attorney's fees, expenses, and
 6-32 court costs associated with collection of the debt; and

6-33 (3) any fees or fines allowed by the dedicatory
 6-34 instruments for the collection of the debt [~~securing the lien~~
 6-35 ~~consists solely of:~~

6-36 [~~(1) fines assessed by the association; or~~

6-37 [~~(2) attorney's fees incurred by the association~~
 6-38 ~~solely associated with fines assessed by the association].~~

6-39 SECTION 11. Chapter 209, Property Code, is amended by
 6-40 adding Section 209.0091 to read as follows:

6-41 Sec. 209.0091. JUDICIAL FORECLOSURE REQUIRED. A property
 6-42 owners' association may not foreclose a property owners'
 6-43 association's assessment lien unless the association first obtains
 6-44 a court judgment foreclosing the lien and providing for issuance of
 6-45 an order of sale.

6-46 SECTION 12. Chapter 209, Property Code, is amended by
 6-47 adding Sections 209.012, 209.013, and 209.014 to read as follows:

6-48 Sec. 209.012. ENFORCEMENT BY MANAGEMENT COMPANY. If
 6-49 expressly provided in a budget approved by the board, a property
 6-50 owners' association may pay a management company only a flat fee
 6-51 plus actual postage costs for the enforcement of all restrictions,
 6-52 bylaws, rules, or guidelines not involving the payment of
 6-53 assessments during the budget period.

6-54 Sec. 209.013. CONFLICTS OF INTEREST. A person who is a
 6-55 member of the board of a property owners' association or related
 6-56 within the third degree by consanguinity or within the second
 6-57 degree by affinity to a member of the board may not be compensated
 6-58 for providing legal representation or management services to the
 6-59 association.

6-60 Sec. 209.014. SUSPENSION OF VOTING PRIVILEGES. A property
 6-61 owners' association may not suspend an owner's voting privileges in
 6-62 the association because of the owner's overdue assessments or
 6-63 failure to cure a violation of a deed restriction unless:

6-64 (1) the assessments are more than 60 days overdue; or

6-65 (2) the violation of the deed restriction remains
 6-66 uncured after notice and opportunity for a hearing under Sections
 6-67 209.006 and 209.007 or after the violation has been otherwise
 6-68 mediated or adjudicated.

6-69 SECTION 13. Subsection (c), Section 202.004, Property Code,

7-1 is repealed.

7-2 SECTION 14. (a) Section 203.003, Property Code, as amended
7-3 by this Act, applies only to a violation of Title 11, Property Code,
7-4 that occurs on or after the effective date of this Act. A violation
7-5 that occurs before the effective date of this Act is governed by the
7-6 law in effect immediately before that date, and that law is
7-7 continued in effect for that purpose.

7-8 (b) Section 204.010, Property Code, as amended by this Act,
7-9 applies only to an action of a property owners' association that
7-10 occurs on or after the effective date of this Act. An action of a
7-11 property owners' association that occurs before the effective date
7-12 of this Act is governed by the law in effect immediately before that
7-13 date, and that law is continued in effect for that purpose.

7-14 (c) Section 209.0051, Property Code, as added by this Act,
7-15 applies only to a property owners' association budget adopted on or
7-16 after the effective date of this Act.

7-17 (d) Section 209.006, Property Code, as amended by this Act,
7-18 applies only to an enforcement action taken by a property owners'
7-19 association on or after the effective date of this Act. An
7-20 enforcement action taken before the effective date of this Act is
7-21 governed by the law in effect immediately before that date, and that
7-22 law is continued in effect for that purpose.

7-23 (e) Except as provided by Subsection (f) of this section,
7-24 Subsection (b), Section 209.008, Property Code, as amended by this
7-25 Act, applies only to a violation that occurs or an arrearage that
7-26 accrues on or after the effective date of this Act. A violation
7-27 that occurred or an arrearage that accrued before the effective
7-28 date of this Act is governed by the law in effect immediately before
7-29 that date, and that law is continued in effect for that purpose.

7-30 (f) Subsection (f), Section 209.008, Property Code, as
7-31 amended by this Act, applies only to an action filed on or after the
7-32 effective date of this Act. An action filed before the effective
7-33 date of this Act is governed by the law in effect immediately before
7-34 that date, and that law is continued in effect for that purpose.

7-35 (g) Section 209.012, Property Code, as added by this Act,
7-36 applies only to a contract between a property owners' association
7-37 and a management company entered into on or after the effective date
7-38 of this Act. A contract between a property owners' association and
7-39 a management company entered into before the effective date of this
7-40 Act is governed by the law in effect immediately before that date,
7-41 and that law is continued in effect for that purpose.

7-42 (h) Section 209.013, Property Code, as added by this Act,
7-43 does not apply to legal representation or management services
7-44 provided under a contract entered into before the effective date of
7-45 this Act.

7-46 (i) Section 209.014, Property Code, as added by this Act,
7-47 applies only to a vote taken on or after the effective date of this
7-48 Act. A vote taken before the effective date of this Act is governed
7-49 by the law in effect immediately before that date, and that law is
7-50 continued in effect for that purpose.

7-51 (j) Section 209.009, Property Code, as amended by this Act,
7-52 and Section 209.0091, Property Code, as added by this Act, apply
7-53 only to foreclosure of a lien that attaches on or after the
7-54 effective date of this Act. Foreclosure of a lien that attaches
7-55 before the effective date of this Act is governed by the law in
7-56 effect immediately before that date, and that law is continued in
7-57 effect for that purpose.

7-58 SECTION 15. This Act takes effect September 1, 2003.

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7-59