

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

May 12, 2003

TO: Honorable Troy Fraser, Chair, Senate Committee on Business & Commerce

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB2200 by Solomons (Relating to restrictions on apartment owners in a condominium regime relating to club membership.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would amend the Property Code by adding Section 81.112. The new section would state that a provision of a declaration, master deed, or other recorded contract that requires owners of apartments in a condominium regime to maintain a membership in a specified private club is not valid after the 10th anniversary of the date the provision is recorded or renewed unless renewed after the ninth anniversary of that date at a meeting of the apartment owners at which the renewal is approved by the holders of at least 67 percent of the ownership interests in the condominium and the text of the renewed provision is recorded in the real property records of each county in which the condominium is located. The bill would also add Section 82.0675 to the Property Code. It would state that a provision of a declaration or recorded contract that requires owners of units in a condominium to maintain a membership in a specified private club is not valid after the 10th anniversary of the date the provision is recorded or renewed unless renewed after the ninth anniversary of that date in the manner provided by the declaration or recorded contract for amending the declaration or recorded contract and the text of the renewed provision is filed in the real property records of each county in which the condominium is located.

This bill would take effect September 1, 2003.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JK, JRO, RR