BILL ANALYSIS

Senate Research Center 79R15304 AJA-D

H.B. 1632 By: Hope (Staples) Intergovernmental Relations 5/20/2005 Engrossed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

H.B. 1632 extends the provisions of Chapter 204, Property Code, to Montgomery County. This chapter governs the powers of property owners' associations relating to restrictive covenants. H.B. 1632 permits property owners to add, modify, or delete restrictions if a petition is signed by at least 75 percent of the property owners in the association.

Many communities in Montgomery County were built around Lake Conroe as secondary home communities, as original homeowners in the area owned another home in Houston. In recent years, Montgomery County has become one of the fastest growing counties in Texas. With changing population and demographics, these communities have become primary home communities.

H.B. 1632 will permit neighborhoods to change their deed restrictions in order to reflect changes in the community make up.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 204.002(a), Property Code, as follows:

(3) Adds a provision that this chapter applies only to a residential real estate subdivision, excluding a condominium development governed by Title 7, Property Code, that is located in whole or in part in a country with a population of 275,000 or more, in addition to other criteria as specified.

SECTION 2. Effective date: September 1, 2005.