

BILL ANALYSIS

C.S.H.B. 2218
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Business & Industry
Committee Report (Substituted)

BACKGROUND AND PURPOSE

It is current practice for a land developer to retain the authority of the architectural control committee while developing a property and then to transfer that authority to a property owners association or similar organization, once development is complete. If a developer dies before properly transferring the architectural control committee's authority and the development company no longer exists, there is no procedure to assign the authority to another entity.

C.S.H.B. 2218 provides a remedy for this situation by specifying the circumstances under which a property owners association or similar organization may assume the authority of the architectural control committee.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 2218 amends Chapter 204, Property Code by adding language that allows a civic association to assume authority of an architectural control committee under a set of specific circumstances.

EFFECTIVE DATE

September 1, 2007.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The substitute differs from the original by adding an additional requirement to provide for the situation where the architectural control committee's authority over the entire subdivision is vested in a civic association if an architectural control committee was created by the deed restrictions that exercised the architectural control committee authority over all lots in the subdivision for at least 10 years and over a majority of the lots in the subdivision for at least 20 years. The substitute also adds language to provide for certain situations that cause the lapse of the architectural control committee authority.