

BILL ANALYSIS

H.B. 3128
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Business & Industry
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently, when a city files suit for the authority to demolish a large condominium complex, the city must sue and serve each defendant. Such defendants are usually individual property owners. Very often, this process is time consuming, expensive, and allows the substandard and often dangerous conditions to continue while the city struggles to obtain service on each owner. Without a mechanism allowing for the efficient and timely service of owners of condominium complexes, a city's ability to act for the health and safety of its citizens is greatly jeopardized and compromised.

H.B. 3128 affects only cities with a population of more than 1.9 million. The bill provides a vehicle whereby condominiums that are considered substandard may be served in a more expeditious manner in order to abate the substandard conditions in a timely manner.

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

H.B. 3128 amends the Property Code to require the declaration for a condominium under provisions relating to the creation, alteration, and termination of condominiums in the Uniform Condominium Act to contain the name, physical address, and mailing address of the registered agent for service of process for any condominium located in a municipality with a population of more than 1.9 million. The bill designates the secretary of state as the agent for service of process for a unit owners' association that fails to comply with this provision. The bill requires an association to state the name, physical address, and mailing address of the registered agent for service of process for any condominium located in a municipality with a population of more than 1.9 million in the management certificate the association records in each county in which any portion of the condominium is located. The bill designates the secretary of state as the agent for service of process for an association that fails to state this information in the management certificate. The bill requires an association to file an amended management certificate providing the name and addresses of the registered agent for service of process not later than November 1, 2009.

H.B. 3128 amends the Local Government Code to require notice of all proceedings relating to a condominium before panels of a municipality's building and standards commission to be given by personal delivery, by certified mail with return receipt requested, or by delivery by the United States Postal Service using signature confirmation service to the registered agent for service of process. The bill requires a municipality to exercise due diligence to determine the identity and address of a registered agent to whom the municipality is required to give notice and search certain records. The bill establishes that in the case of a condominium located in a municipality with a population of more than 1.9 million, providing notice to the secretary of state satisfies the notice requirement under provisions authorizing a municipality to require by ordinance the vacation, relocation of occupants, securing, repair, removal, or demolition of a substandard building.

EFFECTIVE DATE

September 1, 2009.