

## **BILL ANALYSIS**

H.B. 4815  
By: Gattis  
Natural Resources  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

The Ranch at Cypress Creek Municipal Utility District No. 1 is scheduled to be annexed by the City of Cedar Park in 2011, at which time the district will be dissolved. The district currently provides enhanced landscaping services and restrictive covenant enforcement, which will not be continued upon dissolution of the district in some subdivisions in the district that are not included in a homeowners' association. The district would like to ensure that superior landscaping and restrictive covenant enforcement continue to be provided to the areas not within a homeowners' association upon annexation and dissolution of the district.

H.B. 4815 allows properties in the Ranch at Cypress Creek Municipal Utility District No. 1 currently not included in a homeowners' association to elect to join an existing homeowners' association located within the current boundaries of the District. An election will be held among the members of the existing homeowners' association, and a separate election will be held among the owners of the properties to be added to the homeowners' association to approve the inclusion of these properties in the existing homeowners' association.

### **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**

SECTION 1. Amends Chapter 21, Acts of the 71st Legislature, 6th Called Session, 1990 to allow, upon the dissolution of the Ranch at Cypress Creek Municipal Utility District No. 1, for properties within the district currently not included in a homeowners' association to be included in the association.

Before the dissolution of the district, the association will hold an election under its current election procedures in which all members of the association will vote on whether to include these new properties in the association. The inclusion of the properties must be approved by a vote of a two-thirds majority of all association members. An additional election will be held, also under the current election procedures of the association, in which all property owners of the properties which are not currently members of the association will vote on whether to be included in the association and subject to the powers of assessment of the association. The vote to include the properties in the association must be approved by two-thirds of all property owners of the properties not currently included in a property owners' association. These elections may each be held only once.

Sets forth provisions to pay the costs and expenses of the elections by allowing the board of directors of the Ranch at Cypress Creek Municipality Utility District No. 1 to identify and transfer district funds from the district operating account to the association in an amount adequate to pay the costs and expenses of the elections.

Allows that if the properties are voted to be included within the property owners' association, the declaration of the association will replace the restrictive covenants and real property restrictions currently governing the properties. This declaration may include obligations on member property owners to pay dues, charges, and assessments to the association.

Provides for two additional directors to be included on the association board to represent the addition of the properties. The initial directors will be appointed by the current association board not later than the 30th day after the elections. Any subsequent directors will be elected pursuant to the covenants and bylaws of the association.

SECTION 2. Provides that all requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 3. Provides the effective date of this Act.

**EFFECTIVE DATE**

This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2009.