

## **BILL ANALYSIS**

Senate Research Center  
81R342 AJA-D

S.B. 238  
By: West, Royce  
Intergovernmental Relations  
2/18/2009  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Homeowners' associations (HOAs) are intended to maintain common areas in residential neighborhoods and to protect homeowners' investments in their property by enforcing certain aesthetic guidelines. In recent years, however, many homeowners have become dissatisfied with the operation of their associations. Often, they feel frustrated in attempts to challenge an HOA board decision due to a lack of information. S.B. 238 attempts to restore balance to the relationship between HOA boards and individual homeowners.

As proposed, S.B. 238 sets forth remedies available to a homeowner if an HOA board fails to comply with its statutory duty to make its books and records, including financial records, reasonably available to a homeowner.

### **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 209.005, Property Code, by amending Subsection (a) and adding Subsection (c), as follows:

(a) Requires a property owners' association (association) to make the books and records of the association, including financial records, reasonably available to an owner in accordance with Section B, Article 2.23, Texas Non-Profit Corporation Act (Article 1396-2.23, V.T.C.S.), or a successor to that statute.

(c) Authorizes an owner to seek one or more of certain remedies if an association subject to Subsection (a) fails to comply with that subsection.

SECTION 2. Makes application of Section 209.005(c), Property Code, of this Act prospective.

SECTION 3. Effective date: January 1, 2010.