

By: West

S.B. No. 238

A BILL TO BE ENTITLED

AN ACT

relating to the availability of a property owners' association's books and records.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 209.005, Property Code, is amended by amending Subsection (a) and adding Subsection (c) to read as follows:

(a) A property owners' association shall 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, Vernon's Texas Civil Statutes), or a successor to that statute.

(c) If a property owners' association subject to Subsection (a) fails to comply with Subsection (a), an owner may seek one or more of the following remedies:

(1) a court order directing the property owners' association to provide the required information;

(2) a judgment against the property owners' association for a penalty of not more than \$1,500;

(3) a judgment against the property owners' association for court costs and attorney's fees incurred in connection with seeking a remedy under this section; or

(4) a judgment authorizing the owner or the owner's assignee to deduct the amounts awarded under Subdivisions (2) and

1 (3) from any future regular or special assessments payable to the
2 property owners' association.

3 SECTION 2. Subsection (c), Section 209.005, Property Code,
4 as added by this Act, applies only to a property owners'
5 association's failure to comply with Subsection (a), Section
6 209.005, Property Code, on or after the effective date of this Act.
7 A property owners' association's failure to comply with that
8 subsection before the effective date of this Act is governed by the
9 law in effect immediately before the effective date of this Act, and
10 that law is continued in effect for that purpose.

11 SECTION 3. This Act takes effect January 1, 2010.