

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 20, 2009

TO: Honorable Joe Deshotel, Chair, House Committee on Business & Industry

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1976 by Solomons (relating to the operation of property owners' associations.),
Committee Report 1st House, Substituted

No significant fiscal implication to the State is anticipated.

The bill would amend the Property Code with respect to property owners' associations. The bill would require a property owners' association to deposit all ballots cast in an election that results in a change in a dedicatory instrument with a county clerk, prohibiting the clerk from charging a fee for the deposit of ballots. Election results would not be valid until ballots are deposited with the county clerk as required.

Under provisions of the bill, a property owners' association must obtain a court order for expedited foreclosure before foreclosing on an assessment lien. The bill would also require the Supreme Court of Texas to adopt rules establishing expedited foreclosure proceedings in cases in which a property owners' association seeks to foreclose an assessment lien.

Based on the analysis of the Office of Court Administration, costs associated with rule-making could be absorbed within existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council

LBB Staff: JOB, JRO, DB