

BILL ANALYSIS

H.B. 1639
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Business & Industry
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Concerned parties assert that property owners' associations in Texas are increasingly filing lawsuits against their members for delinquent assessment fees, as well as associated attorney's fees. Because most property owners become delinquent in paying their assessment fees because they have insufficient resources, it stands to reason that those owners may not have the resources to pay attorney's fees associated with a foreclosure. H.B. 1639 proposes to address this situation by exempting a property owner from liability for such attorney's fees.

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. 1639 amends the Property Code to exempt a property owner from liability for attorney's fees incurred by a property owners' association in judicially or nonjudicially foreclosing the association's assessment lien on the owner's property.

EFFECTIVE DATE

September 1, 2011.