

By: Howard of Fort Bend

H.B. No. 893

A BILL TO BE ENTITLED

AN ACT

relating to the meetings of certain property owners' associations.

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

SECTION 1. Section 551.0015, Government Code, is amended by amending Subsection (a) and adding Subsections (c) and (d) to read as follows:

(a) Except as provided by this section, a [A] property owners' association is subject to this chapter in the same manner as a governmental body:

(1) if:

(A) membership in the property owners' association is mandatory for owners or for a defined class of owners of private real property in a residential subdivision [~~defined geographic area in a county with a population of 2.8 million or more or in a county adjacent to a county with a population of 2.8 million or more~~]; and

(B) the property owners' association has the power to make mandatory special assessments [~~for capital improvements~~] or mandatory regular assessments [~~, and~~

~~[(C) the amount of the mandatory special or regular assessments is or has ever been based in whole or in part on the value at which the state or a local governmental body assesses the property for purposes of ad valorem taxation under Section 20, Article VIII, Texas Constitution]; or~~

1 (2) if the property owners' association:

2 (A) provides maintenance, preservation, and
3 architectural control of residential and commercial property
4 within a defined geographic area in a county with a population of
5 2.8 million or more or in a county adjacent to a county with a
6 population of 2.8 million or more; and

7 (B) is a corporation that:

8 (i) is governed by a board of trustees who
9 may employ a general manager to execute the association's bylaws
10 and administer the business of the corporation;

11 (ii) does not require membership in the
12 corporation by the owners of the property within the defined area;
13 and

14 (iii) was incorporated before January 1,
15 2006.

16 (c) In this section, "property owners' association,"
17 "regular assessment," "residential subdivision," and "special
18 assessment" have the meanings assigned by Section 209.002, Property
19 Code.

20 (d) A property owners' association is not required to
21 conduct an open meeting to discuss or determine employee
22 compensation.

23 SECTION 2. This Act takes effect September 1, 2011.