

BILL ANALYSIS

H.B. 1158
By: Kuempel
Business & Industry
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently, amendments to a restrictive covenant of a subdivision require the approval of the property owners. Interested parties contend that identifying and locating all the property owners can be extremely burdensome and difficult, particularly for certain subdivisions that are multi-zoned and that are located in multiple counties and municipalities. H.B. 1158 seeks to reduce this burden for certain multi-zoned subdivisions as described by the bill by establishing provisions relating to the amendment of restrictive covenants applicable to such subdivisions.

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. 1158 amends the Property Code to authorize restrictions applicable to property in a multi-zoned subdivision, as defined by the bill, located in whole or in part in a municipality that has a population of 30,000 or more and that is located in at least three counties to be amended as provided by the bill's provisions. The bill authorizes the application of such an amendment to all or part of the subdivision and authorizes restrictions to be amended to affect different portions of the subdivision differently. The bill specifies that an amendment approved under the bill's provisions is effective and applies to each separately owned lot in the area designated as subject to the amendment.

H.B. 1158 requires the amendment to be approved by the owners of at least 67 percent of the lots in the area of the subdivision designated in the relevant ballot as subject to the proposed amendment. The bill sets out provisions relating to voting procedures and requirements, ballot requirements, and the certification and recording of the vote. The bill prohibits an owner of property within the subdivision to which the approved amended restrictions apply from claiming in any judicial proceeding that the amendment is not enforceable on the grounds that the amendment is not applicable to all of the property in the subdivision.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2013.