

## **BILL ANALYSIS**

C.S.H.B. 3800  
By: Coleman  
County Affairs  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Under the Texas Residential Property Owners Protection Act, a Texas residential property owners' association is required to record a management certificate in the real property records in each county in which any portion of a residential subdivision to which the act applies is located. This recording requirement allows for prospective tracking of the number of such associations operating in each county. However, interested parties report that there is no consistent method of indexing the certificates in the various county clerks' offices. C.S.H.B. 3800 seeks to ensure uniform recording and indexing of residential property owners' association management certificates in county real property records.

### **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**

C.S.H.B. 3800 amends the Property Code to require the county clerk of each county in which a residential property owners' association management certificate is filed as required under the Texas Residential Property Owners Protection Act to record the management certificate in the real property records of the county and to index the document as a "Property Owners' Association Management Certificate." The bill requires each property owners' association that is subject to the act's provisions relating to management certificates, immediately before September 1, 2013, to file the association's management certificate, regardless of whether the association filed a management certificate before September 1, 2013, to ensure that all management certificates are recorded and indexed in accordance with the bill's provisions on or after September 1, 2013, and not later than January 1, 2014. The bill's provisions do not affect the time in which a property owners' association is required to file the association's management certificate if the association's initial duty to file the management certificate arises on or after September 1, 2013.

### **EFFECTIVE DATE**

September 1, 2013.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 3800 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and highlighted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Section 209.004, Property Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) The county clerk of each county in which a management certificate is recorded as required by this section shall file the management certificate in the real property records of the county labeled as "Property Owners' Association Management Certificate."

SECTION 2. To ensure that all management certificates are filed and labeled in accordance with Section 209.004(a-1), Property Code, as added by this Act, on or after September 1, 2013, and not later than January 1, 2014, each property owners' association that is subject to Section 209.004, Property Code, as amended by this Act, shall record the association's management certificate under that section, regardless of whether the association filed a management certificate before September 1, 2013.

SECTION 3. This Act takes effect September 1, 2013.

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Section 209.004, Property Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) The county clerk of each county in which a management certificate is filed as required by this section shall record the management certificate in the real property records of the county and index the document as a "Property Owners' Association Management Certificate."

SECTION 2. To ensure that all management certificates are recorded and indexed in accordance with Section 209.004(a-1), Property Code, as added by this Act, on or after September 1, 2013, and not later than January 1, 2014, each property owners' association that is subject to Section 209.004, Property Code, immediately before September 1, 2013, shall file the association's management certificate under that section, regardless of whether the association filed a management certificate before September 1, 2013. This section does not affect the time in which a property owners' association is required to file the association's management certificate under Section 209.004, Property Code, as amended by this Act, if the association's initial duty to file the management certificate arises on or after September 1, 2013.

SECTION 3. Same as introduced version.