BILL ANALYSIS

C.S.S.B. 1853 By: Fraser Business & Industry Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties contend that certain neighborhood associations in Llano County located in a municipality's extraterritorial jurisdictions are unable to change their deed restrictions because the restrictions do not contain a procedure allowing for a change or may not be amended without the unanimous consent of the property owners. The goal of C.S.S.B. 1853 is to address this issue by providing a procedure to amend these deed restrictions.

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.S.B. 1853 amends the Property Code to expand the applicability of statutory provisions governing the amendment and enforcement of restrictions in a residential real estate subdivision or any unit or parcel of a subdivision all or part of which is located within an unincorporated area of a county if the county has a population of less than 65,000 or all of which is located within the extraterritorial jurisdiction of a municipality located in a county that has a population of at least 65,000 and less than 135,000 to a residential real estate subdivision or any unit or parcel of a subdivision all of which is located within the extraterritorial jurisdiction of a municipality located in a county that borders Lake Buchanan and has a population of at least 18,500 and less than 19,500.

C.S.S.B. 1853 amends Section 4(b), Chapter 129, Acts of the 70th Legislature, Regular Session, 1987, to prohibit certain bonds with regard to the construction and maintenance of certain roads and turnpikes from being issued by the Llano County Municipal Utility District No. 1 except on approval of not less than a majority, rather than two-thirds, of the qualified voters of the district voting at an election called and held for that purpose.

EFFECTIVE DATE

September 1, 2013.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.S.B. 1853 may differ from the engrossed version in minor or nonsubstantive ways, the following comparison is organized and highlighted in a manner that indicates the substantial differences between the engrossed and committee substitute versions of the bill.

SENATE ENGROSSED

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Subdivision (4), Section

SECTION 1. Same as engrossed version.

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211.001, Property Code, is amended.

SECTION 2. Subsection (a), Section 211.002, Property Code, is amended.

SECTION 2. Same as engrossed version.

No equivalent provision.

SECTION 3. Subsection (b), Section 4, Chapter 129, Acts of the 70th Legislature, Regular Session, 1987, is amended to read as follows:

(b) Bonds may not be issued by the district under this Act except on approval of not less than <u>a majority</u> [two thirds] of the qualified voters of the district voting at an election called and held for that purpose.

No equivalent provision.

SECTION 4. The change in law made by this Act to Subsection (b), Section 4, Chapter 129, Acts of the 70th Legislature, Regular Session, 1987, applies to an election to authorize the issuance of bonds held on or after the effective date of this Act. An election to authorize the issuance of bonds held before the effective date of this Act is governed by the law in effect at the time the election was held, and the former law is continued in effect for that purpose.

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

SECTION 5. Same as engrossed version.

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