

By: Muñoz, Jr.

H.B. No. 1341

A BILL TO BE ENTITLED

AN ACT

relating to property owners' associations; imposing a civil penalty.

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

SECTION 1. Section 209.005, Property Code, is amended by amending Subsection (e) and adding Subsection (1-1) to read as follows:

(e) An owner or the owner's authorized representative described by Subsection (c) must submit a ~~[written]~~ request for access or information under Subsection (c) by ~~[certified]~~ mail, e-mail, or telephone, providing ~~[with]~~ sufficient detail describing the property owners' association's books and records requested~~[, to the mailing address of the association or authorized representative as reflected on the most current management certificate filed under Section 209.004]~~. The request must contain an election either to inspect the books and records before obtaining copies or to have the property owners' association forward copies of the requested books and records and:

(1) if an inspection is requested, the association, on or before the 10th business day after the date the association receives the request, shall send written notice of dates during normal business hours that the owner may inspect the requested books and records to the extent those books and records are in the possession, custody, or control of the association; or

1           (2) if copies of identified books and records are  
2 requested, the association shall, to the extent those books and  
3 records are in the possession, custody, or control of the  
4 association, produce the requested books and records for the  
5 requesting party on or before the 10th business day after the date  
6 the association receives the request, except as otherwise provided  
7 by this section.

8           (1-1) Notwithstanding Subsection (k), a property owners'  
9 association must release or allow inspection of any records of  
10 payments made by the association to a managing company of the  
11 subdivision to pay the company's employees to work on behalf of the  
12 association on association property.

13           SECTION 2. Section 209.0051, Property Code, is amended by  
14 amending Subsection (d) and adding Subsection (f-1) to read as  
15 follows:

16           (d) The board shall keep a record of each regular or special  
17 board meeting in the form of written minutes of the meeting. The  
18 meeting records must include all communications from members  
19 relating to the meeting, including copies of e-mails, letters, or  
20 faxes submitted to the board for consideration at the meeting. The  
21 board shall make meeting records, including approved minutes,  
22 available to a member for inspection and copying on the member's  
23 written request to the property owners' association's managing  
24 agent at the address appearing on the most recently filed  
25 management certificate or, if there is not a managing agent, to the  
26 board.

27           (f-1) A member is entitled to speak for at least 30 minutes

1 at each regular or special board meeting.

2 SECTION 3. Section 209.014(a), Property Code, is amended to  
3 read as follows:

4 (a) Notwithstanding any provision in a dedicatory  
5 instrument, a board of a property owners' association shall call an  
6 annual meeting of the members of the association. The board must  
7 send to each member a written notice of the date, hour, and place of  
8 the annual meeting not later than the 10th day before the date of  
9 the meeting.

10 SECTION 4. Chapter 209, Property Code, is amended by adding  
11 Section 209.017 to read as follows:

12 Sec. 209.017. CIVIL PENALTY. (a) A property owners'  
13 association that violates a provision of this chapter is liable to  
14 the state for a civil penalty of not more than \$25,000.

15 (b) The attorney general, a district attorney, or a county  
16 attorney may bring an action against the property owners'  
17 association in the district court of a district in which all or part  
18 of the subdivision is located to enforce this chapter and to collect  
19 the penalty under this section.

20 SECTION 5. Section 209.017, Property Code, as added by this  
21 Act, applies only to a violation that occurs on or after the  
22 effective date of this Act.

23 SECTION 6. This Act takes effect September 1, 2017.