BILL ANALYSIS

Senate Research Center 86R34977 BEE-F C.S.H.B. 1025 By: Bohac (Whitmire) Business & Commerce 5/19/2019 Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

C.S.H.B. 1025 amends current law relating to candidacy for and membership on the board of certain property owners' associations.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 209.00591, Property Code, by adding Subsections (a-2) and (a-3), as follows:

(a-2) Authorizes a property owners' association that governs a subdivision comprised of multiple sections, notwithstanding any other provision of this chapter (Texas Residential Property Owners Protection Act), to designate in an association instrument governing the administration or operation of the association a specified number of positions on the governing body of a property owners' association, each of which is required to be elected from a designated section of the subdivision. Authorizes the instrument to require each board member representing a section to reside in that section.

(a-3) Prohibits a person from serving on the board of a property owners' association if the person cohabits at the same primary residence with another board member of the association. Provides that this subsection does not apply:

(1) to an association with fewer than 10 residences; or

(2) during a subdivision's development period to affect the eligibility to serve on the board of;

(A) a person who cohabits with a developer of the subdivision regulated by the association; or

(B) the developer.

SECTION 2. Provides that Section 209.00591(a-1), Property Code, as added by this Act:

(1) does not affect the entitlement of a member serving on the board of a property owners' association immediately before the effective date of the Act to continue to carry out the board's functions for the remainder of the member's term; and

(2) applies only to a member elected on or after the effective date of this Act.

SECTION 3. (a) Effective date, except as provided by Subsection (b): September 1, 2019.

(b) Effective date, Section 209.00591(a-3): upon passage or September 1, 2019.