By:  Bohac (Senate Sponsor - Whitmire) H.B. No. 1025

(In the Senate - Received from the House May 6, 2019; May 7, 2019, read first time and referred to Committee on Business & Commerce; May 20, 2019, reported adversely, with favorable Committee Substitute by the following vote: Yeas 8, Nays 0; May 20, 2019, sent to printer.)

COMMITTEE VOTE

                    Yea Nay Absent  PNV

Hancock              X

Nichols              X

Campbell             X

Creighton            X

Menéndez             X

Paxton               X

Schwertner           X

Whitmire                       X

Zaffirini            X

COMMITTEE SUBSTITUTE FOR H.B. No. 1025 By:  Whitmire

A BILL TO BE ENTITLED

AN ACT

relating to membership on and the eligibility of certain persons to serve on the board of certain property owners' associations.

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

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

(a-2)  Notwithstanding any other provision of this chapter, a property owners' association that governs a subdivision comprised of multiple sections may designate in an association instrument governing the administration or operation of the association a specified number of positions on the board, each of which must be elected from a designated section of the subdivision. The instrument may require each board member representing a section to reside in that section.

(a-3)  A person may not serve on the board of a property owners' association if the person cohabits at the same primary residence with another board member of the association. 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.  Section 209.00591(a-3), 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 this 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) Except as provided by Subsection (b) of this section, this Act takes effect September 1, 2019.

(b)  Section 209.00591(a-3), Property Code, as added by this Act, takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, Section 209.00591(a-3), Property Code, as added by this Act, takes effect September 1, 2019.

\* \* \* \* \*