By:  Miles S.B. No. 1845

(In the Senate - Filed March 7, 2019; March 18, 2019, read first time and referred to Committee on Business & Commerce; April 15, 2019, reported adversely, with favorable Committee Substitute by the following vote: Yeas 9, Nays 0; April 15, 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 S.B. No. 1845 By:  Whitmire

A BILL TO BE ENTITLED

AN ACT

relating to the amendment of the dedicatory instruments of certain mixed-use real estate developments.

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

SECTION 1.  Title 11, Property Code, is amended by adding Chapter 214 to read as follows:

CHAPTER 214. AMENDMENT OF DEDICATORY INSTRUMENTS OF CERTAIN MIXED-USE REAL ESTATE DEVELOPMENTS

Sec. 214.001.  DEFINITIONS. In this chapter:

(1)  "Declaration" means an instrument filed in the real property records of a county that includes restrictive covenants governing a real estate development.

(2)  "Dedicatory instrument" has the meaning assigned by Section 202.001.

(3)  "Mixed-use real estate development" means a real estate development that includes commercial properties, including hotel and retail properties, and that may include other real estate uses.

(4)  "Property owners' association" has the meaning assigned by Section 202.001.

Sec. 214.002.  APPLICABILITY OF CHAPTER. (a)  This chapter applies only to a mixed-use real estate development:

(1)  that is located in a county with a population of 3.3 million or more; and

(2)  in which property owners are subject to mandatory membership in a property owners' association.

(b)  This chapter applies to a dedicatory instrument regardless of the date on which the dedicatory instrument was created.

Sec. 214.003.  AMENDMENT OF DEDICATORY INSTRUMENT. (a)  This section supersedes any conflicting requirement in a dedicatory instrument of a mixed-use real estate development.

(b)  To the extent of any conflict with another provision of this title, this section prevails.

(c)  Except as provided by Subsection (d), a declaration of a mixed-use real estate development may be amended only by a vote of a majority of the total votes allocated to property owners entitled to vote on the amendment of the declaration.

(d)  If the declaration contains a lower approval requirement than prescribed by Subsection (c), the approval requirement in the declaration controls. If the declaration is silent as to voting rights for an amendment, the declaration may be amended by a vote of a majority of the total votes allocated to property owners entitled to vote on the amendment of the declaration.

(e)  A bylaw of a mixed-use real estate development may not be amended to conflict with this section.

SECTION 2.  This Act takes effect September 1, 2019.

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