

By: King of Uvalde

H.B. No. 3445

A BILL TO BE ENTITLED

AN ACT

relating to declarant control of certain property owners' associations.

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

SECTION 1. Section 209.0052(a), Property Code, is amended to read as follows:

(a) This section applies [~~does not apply~~] to a contract entered into by an association during and after the development period.

SECTION 2. Section 209.00591(c), Property Code, is amended to read as follows:

(c) The declaration may provide for a period of declarant control of the association during which a declarant, or persons designated by the declarant, may appoint and remove board members and the officers of the association, other than board members or officers elected by members of the property owners' association. Regardless of the period of declarant control provided by the declaration, on or before the 120th day after the date 75 percent of the lots that may be created and made subject to the declaration are conveyed to owners other than a declarant or a builder in the business of constructing homes who purchased the lots from the declarant for the purpose of selling completed homes built on the lots, at least a majority [~~one-third~~] of the board members must be elected by owners other than the declarant. If the declaration does

1 not include the number of lots that may be created and made subject
2 to the declaration, at least a majority [~~one-third~~] of the board
3 members must be elected by owners other than the declarant not later
4 than the fifth [~~10th~~] anniversary of the date the declaration was
5 recorded.

6 SECTION 3. (a) Section 209.0052, Property Code, as amended
7 by this Act, applies to a contract entered into, renewed, or
8 extended on or after the effective date of this Act.

9 (b) Section 209.00591, Property Code, as amended by this
10 Act, applies to a provision in a dedicatory instrument or a
11 restrictive covenant enacted before, on, or after the effective
12 date of this Act.

13 SECTION 4. This Act takes effect September 1, 2019.