

# SENATE AMENDMENTS

2<sup>nd</sup> Printing

By: Bohac

H.B. No. 1025

A BILL TO BE ENTITLED

AN ACT

relating to candidacy for and membership 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) An owner of property in the property owners' association may not be a candidate for membership on the board of the property owners' association if:

(1) an enforcement action is pending against the property owner; or

(2) the property owner owes the association a delinquent assessment, fee, or fine.

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

ADOPTED

MAY 22 2019

*Letay Spaul*  
Secretary of the Senate

By: Whitie

H.B. No. 1025

Substitute the following for H.B. No. 1025:

By: Whitie

C.S. H.B. No. 1025

A BILL TO BE ENTITLED

AN ACT

1

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

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

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

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

15 (a-3) A person may not serve on the board of a property  
16 owners' association if the person cohabits at the same primary  
17 residence with another board member of the association. This  
18 subsection does not apply:

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

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

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

1                   (B) the developer.

2           SECTION 2. Section 209.00591(a-3), Property Code, as added  
3 by this Act:

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

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

10           SECTION 3. (a) Except as provided by Subsection (b) of this  
11 section, this Act takes effect September 1, 2019.

12                   (b) Section 209.00591(a-3), Property Code, as added by this  
13 Act, takes effect immediately if this Act receives a vote of  
14 two-thirds of all the members elected to each house, as provided by  
15 Section 39, Article III, Texas Constitution. If this Act does not  
16 receive the vote necessary for immediate effect, Section  
17 209.00591(a-3), Property Code, as added by this Act, takes effect  
18 September 1, 2019.

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**May 23, 2019**

**TO:** Honorable Dennis Bonnen, Speaker of the House, House of Representatives

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE: HB1025** by Bohac (Relating to membership on and the eligibility of certain persons to serve on the board of certain property owners' associations. ), **As Passed 2nd House**

<b>No fiscal implication to the State is anticipated.</b>
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The bill would amend the Property Code to allow property owners' associations to modify certain procedures for election to the board of the association.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:**

**LBB Staff:** WP, CLo, SD, GP

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**May 20, 2019**

**TO:** Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE: HB1025** by Bohac (Relating to membership on and the eligibility of certain persons to serve on the board of certain property owners' associations.), **Committee Report 2nd House, Substituted**

**No fiscal implication to the State is anticipated.**

The bill would amend the Property Code to allow property owners' associations to modify certain procedures for election to the board of the association.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:**

**LBB Staff:** WP, CLo, SD, GP

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**May 9, 2019**

**TO:** Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE: HB1025** by Bohac (Relating to candidacy for and membership on the board of certain property owners' associations.), **As Engrossed**

<b>No fiscal implication to the State is anticipated.</b>
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The bill would amend the Property Code to allow property owners' associations to modify certain procedures for election to the board of the association.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:**

**LBB Staff:** WP, CLo, SD, GP

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**April 22, 2019**

**TO:** Honorable Trey Martinez Fischer, Chair, House Committee on Business & Industry

**FROM:** John McGeady, Assistant Director   Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE: HB1025** by Bohac (Relating to candidacy for and membership on the board of certain property owners' associations.), **As Introduced**

<b>No fiscal implication to the State is anticipated.</b>
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**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:**

**LBB Staff:** WP, CLo, SD, GP