**BILL ANALYSIS**

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| Senate Research Center | S.B. 542 |
| 89R1958 CS-D | By: Schwertner |
|  | Business & Commerce |
|  | 3/13/2025 |
|  | As Filed |

**AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Property owners' associations (POA) in Texas may include in their bylaws a requirement that lawns or turf must be green and free of discoloration. If the grass or turf is not consistent to that standard, the property owners' association has the ability to fine the homeowner.

However, during periods of extreme drought, municipalities, water utilities, or other water suppliers often decide to restrict residential water use for the purposes of water conservation. With the standing water restrictions in place, homeowners may not be able to maintain or restore lawn greenness standards that are imposed by their POA. As a result, homeowners are placed in a difficult position and are forced to choose between paying a fine from their POA for not maintaining lawn greenness standards or a fine from their water utility company for violating their allotted water use.

S.B. 542 addresses this issue by adding Section 202.008 in the Property Code to restrict POAs from imposing fines on homeowners for discolored vegetation during a prescribed residential watering restriction while the watering restriction is in place and, as amended in the committee substitute, for at least 30 days after the restriction has been lifted.

As proposed, S.B. 542 amends current law relating to the authority of a property owners' association to assess a fine for discolored vegetation or turf during a period of residential watering restriction.

**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 Chapter 202, Property Code, by adding Section 202.008, as follows:

Sec. 202.008. LIMITATION ON FINES DURING RESIDENTIAL WATER RESTRICTION. (a) Defines "residential watering restriction."

(b) Prohibits a property owners' association from assessing a fine against a property owner for a violation of an applicable restrictive covenant that requires the owner to maintain green vegetation or turf or prohibits discolored or brown vegetation or turf on the property:

(1) during a period when the owner's property is subject to a residential watering restriction under which discolored or brown vegetation or turf could reasonably result; and

(2) for a reasonable period of time after a residential watering restriction described by Subdivision (1) is lifted.

SECTION 2. Effective date: September 1, 2025.