

By: Bucy

H.B. No. 2398

A BILL TO BE ENTITLED

AN ACT

relating to the governance of property owners' associations.

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

SECTION 1. Section 209.0041, Property Code, is amended by adding Subsections (j), (k), and (l) to read as follows:

(j) Except as provided by Subsection (k), a dedicatory instrument other than a declaration may be amended by a vote of owners owning a majority of the lots subject to the dedicatory instrument, in addition to any governmental approval required by law.

(k) If the dedicatory instrument contains a higher percentage than prescribed by Subsection (j), the percentage in the dedicatory instrument controls.

(l) If a dedicatory instrument contains quorum requirements, those requirements apply to a vote under Subsection (j).

SECTION 2. Section 209.00592, Property Code, is amended by adding Subsection (h) to read as follows:

(h) A county attorney may bring an action for injunctive relief to restrain or remedy a violation of this section.

SECTION 3. Section 209.00593, Property Code, is amended by adding Subsection (c-1) to read as follows:

(c-1) A county attorney may bring an action for injunctive relief to restrain or remedy a violation of this section.

1 SECTION 4. Chapter 209, Property Code, is amended by adding
2 Section 209.018 to read as follows:

3 Sec. 209.018. BOARD ACTION; BOARD MEMBERS AND OFFICERS AS
4 FIDUCIARIES. Except as provided by a declaration, bylaws, or this
5 chapter, the board shall act in all instances on behalf of the
6 property owners' association if in the good-faith judgment of the
7 board the action is reasonable. Each officer or member of the board
8 is liable as a fiduciary of the owners for the officer's or member's
9 acts or omissions. All acts of the property owners' association
10 must be by and through the board unless otherwise provided by the
11 declaration or bylaws or by law.

12 SECTION 5. (a) Section 209.0041, Property Code, as amended
13 by this Act, applies only to a vote held on or after the effective
14 date of this Act. A vote held before the effective date of this Act
15 is governed by the law as it existed immediately before that date,
16 and that law is continued in effect for that purpose.

17 (b) Section 209.018, Property Code, as added by this Act,
18 applies only to an act or omission that occurs on or after the
19 effective date of this Act. An act or omission that occurs before
20 the effective date of this Act is governed by the law in effect on
21 the date the act or omission occurred, and the former law is
22 continued in effect for that purpose.

23 SECTION 6. This Act takes effect September 1, 2025.