

By: Reynolds

H.B. No. 5011

A BILL TO BE ENTITLED

AN ACT

relating to certain protections for owners in a property owners' association.

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

SECTION 1. Section 209.005(o), Property Code, is amended to read as follows:

(o) A party that ~~[If the property owners' association]~~ prevails in an action under Subsection (n) ~~[, the association]~~ is entitled to a judgment for court costs and attorney's fees incurred by the party ~~[association]~~ in connection with the action.

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

Sec. 209.018. WITHHOLDING OF ASSESSMENTS BY PROPERTY OWNER.

(a) Notwithstanding a provision in a dedicatory instrument or other law, if a property owner brings an action against a property owners' association, the property owner may withhold assessment payments while the action is pending.

(b) If a property owners' association prevails in an action brought by a property owner, the property owner shall pay all assessments withheld under Subsection (a) and resume assessment payments.

(c) A property owners' association may not file a suit to collect assessments withheld under Subsection (a) against an owner who prevails in an action against the property owners' association.

1 SECTION 3. Section 209.005, Property Code, as amended by
2 this Act, and Section 209.018, Property Code, as added by this Act,
3 apply only to an action filed on or after the effective date of this
4 Act. An action filed before the effective date of this Act is
5 governed by the law in effect on the date the action was filed, and
6 the former law is continued in effect for that purpose.

7 SECTION 4. This Act takes effect September 1, 2025.