BILL ANALYSIS

Senate Research Center 81R341 AJA-D S.B. 239 By: West, Royce Intergovernmental Relations 2/18/2009 As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Homeowners' associations (HOAs) are intended to maintain common areas in residential neighborhoods and to protect homeowners' investments in their property by enforcing certain aesthetic guidelines. In recent years, however, many homeowners have become dissatisfied with the operation of their HOAs. Disputes between HOA boards and individual homeowners often begin with the imposition of relatively small fines by the board for violations of deed restrictions. The manner in which the board notifies the individual homeowner is at times the subject of some disagreement.

As proposed, S.B. 239 sets forth the required content and manner of delivery of a notice of enforcement action by a property owners' association. The bill also requires that the homeowner be given a date certain by which a violation must be cured.

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 Section 209.006, Property Code, by amending Subsection (b) and by adding Subsections (c) and (d), as follows:

(b) Requires that a notice of enforcement action (notice) inform the owner that the owner is authorized to request a hearing under Section 209.007 (Hearing Before Board; Alternative Dispute Resolution) on or before the 30th day after the date the notice was delivered to the owner, rather than the date the owner receives the notice, and specify a date certain by which the owner is required to cure the violation. Makes nonsubstantive changes.

(c) Requires that the notice under Subsection (b) be personally delivered, sent by certified mail with a return receipt requested, or delivered by the United States Postal Service with signature confirmation service to the owner at the owner's last known address as shown on the association's records.

(d) Requires that the date specified in the notice under Subsection (b) provide a reasonable period for the owner to cure the violation.

SECTION 2. Effective date: January 1, 2010.