

BILL ANALYSIS

Senate Research Center

H.B. 2489
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Business & Commerce
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Interested parties contend that current law does not adequately provide safeguards against the interference of a property owners' association with regard to the leasing or rental of a homeowner's private property within that association. The parties suggest that the lack of regulation in this area could allow property owners' associations to take actions that interfere with and violate an individual's private property rights. H.B. 2489 seeks to address this issue by limiting the ability of a property owners' association to enforce certain provisions in the leasing or rental of a property owner's real property.

H.B. 2489 amends current law relating to regulation by a property owners' association of residential leases or rental agreements.

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 202.019, as follows:

Sec. 202.019. REGULATION OF RESIDENTIAL LEASES OR RENTAL AGREEMENTS. (a) Prohibits a property owners' association from adopting or enforcing a provision in a dedicatory instrument that:

- (1) in connection with the leasing or renting of a property owner's property, imposes a fee, charge, assessment, or fine or requires dues or any other contribution or payment to the association;
- (2) requires a lease or rental applicant or a tenant to be approved by the property owners' association; or
- (3) requires a property owner, a lease or rental applicant, a tenant, or that person's agent to provide a copy of a document related to leasing or renting the property owner's property, including a lease or rental application, a lease or rental agreement, or a consumer or credit report.

(b) Provides that this section does not apply to a master mixed-use property owners' association described by Chapter 215 (Master Mixed-Use Property Owners' Associations).

(c) Provides that this section does not apply to a property owners' association that manages or regulates a condominium.

(d) Provides that Subsection (a)(1) does not exempt a property owner whose property is leased or rented from a requirement to pay a fee, charge, assessment, or fine under a provision of the dedicatory instrument other than the provision prohibited by that subsection.

(e) Provides that, notwithstanding Section 202.002 (Applicability of Chapter), this section applies only to a dedicatory instrument that is adopted on or after September 1, 2015.

SECTION 2. Effective date: upon passage or September 1, 2015.