

2021 Legislative Session Report

The 87th Regular Session of the Texas Legislature ended on Monday, May 31st, and three Called Sessions were held intermittently from July through October.

Bills that Passed

The following bills passed this session directly impacting homeowners and associations in Texas:

- **[HB 1659](#)** – **Relating to the amendment of a residential subdivision’s declaration to affect certain types of property located in the subdivision.** This legislation, sponsored by Reps. Murphy & Creighton, will no longer require a 2/3rds majority vote to approve amendments that affects area of the subdivision that contains or is zoned for commercial, industrial, apartment, or condominium structures. This legislation became effective September 1st, 2021.
- **[SB 1588](#)** – **Relating to the powers and duties of certain property owners’ associations.** This legislation, sponsored by Senators Hughes, Turner, Bonnen, Thompson, Shine, & Hefner, makes extensive changes to the powers and responsibilities of property owners associations and homeowners associations. Among those changes include requirements for management certificates listed in the TREC to include contact information, requires larger owners’ organizations (60+ lots and/or utilizes a management company) to have a web presence that is accessible by members, caps resale certificates, makes board members (and their spouses and co-residents) ineligible to serve on the ACC, and increases the notice requirement for board meetings to be at least 6 days prior (special board meetings will require 3 days’ notice). Furthermore, this bill creates requirements for owners’ associations to follow a bidding process for contracts greater than \$50,000, specifies regulations on private swimming pool enclosures/fences and language regarding homeowners’ rights to install security measures. Finally, the bill creates new requirements for owners’ organizations to notify individuals who are delinquent in their assessments or in violation of other rules, and other alterations to 209 hearing proceedings, as well as outlines information that an owners organization may obtain on lease or rental applicants. The Texas legislature passed this legislation, which became effective on September 1, 2021.
- **[SB 30](#)** – **Relating to the removal of certain discriminatory provisions from a recorded conveyance instrument.** This legislation, sponsored by Senators West, et al., will permit owners to request removal of discriminatory provision in a conveyance instrument by completing and filing, with the district court clerk, a motion, verified by affidavit, that contains the info provided in the suggested form under the bill. This legislation became effective September 1st, 2021.
- **[SB 318](#)** – **Relating to the records of certain condominium unit owners’ associations.** This legislation, sponsored by Senators Huffman & Turner, requires condominiums to make books and records, including financial records, open to and available for examination by unit owner. This bill outlines procedures to request either the inspection or production of certain association records and requires condos to adopt policies for records production/copying, and document retention. This legislation became effective September 1st, 2021.
- **[SB 581](#)** – **Relating to regulation by a property owners’ association of certain religious displays.** This legislation, sponsored by Senators Bettencourt, Creighton, Kolkhorst, & Schofield, prohibits owners’ organizations from barring owners from displaying religious items on or in the property, except if the items threaten public safety, violates a law, is offensive, or is installed in common or shared areas or violation of any applicable building line, right-of-way, setback, or easement. This legislation became effective May 31st, 2021.

Bills that Failed

The following bills were proposed in the legislature, which did not represent the values of community associations.

- [HB 1686](#), **Relating to the regulation of food production on single-family residential lots by a municipality or property owners' association** by Reps. Cortez, Wilson, Rodriguez, & Guillen, would have restricted POA from prohibiting a cottage food production operation, the growing of fruits and vegetables, the raising or keeping of six or fewer domestic fowls; or the raising or keeping of six or fewer rabbits.
- [HB 1970](#), **Relating to property owners' association fines** by Rep. Shaheen, if passed, this legislation would have required a POA board to adopt a fine policy requiring that the organization disclose each type of violation for which the board may assess a fine, the amount of the fine for each violation, and provide information regarding hearings. The bill would have also required the association file the policy with the county clerk's office and provide a copy of the policy to each owner by posting the policy on the POA's website; or annually sending a copy of the policy to the members.
- [HB 2447](#), **Relating to suits against a property owners' association** by Rep. Davis, would have permitted owners holding at least 20% of voting interests to petition POA to conduct recall election to recall a board member within 90 days of POA receiving a petition. If majority of votes are for recall of board member, the member position becomes vacant, and board must fill seat.
- [HB 2912](#), **Relating to a violation of the Texas Residential Property Owners Protection Act or a dedicatory instrument by a board member of a property owners' association and to the recall of a board member** by Reps. Vasut, Jetton, & White, provided that if a board member violated Ch. 209 or a governing document while acting in the capacity as board member, an owner may file petition against POA in JP Court. Additionally, if owner prevailed, the judgment may provide that POA remove offending board member, award damages or authorize reduction of assessments based on the damages awarded.

Finally, many bills were tracked and analyzed by CAI. These bills did not make it out of the Legislature, including:

- [HB 1202](#), **Relating to the amendment of a dedicatory instrument to remove a discriminatory provision** by Reps. Jetton & Morales Shaw, would have provided a procedure for governing body of POA to amend a dedicatory instrument to remove a discriminatory provision by majority vote of the governing body on its own motion or on the motion of a member of the POA. It also provided procedures for owners within an association to amend a dedicatory instrument to remove a discriminatory provision through a petition process or amendment committee formation process.
- [HB 1467](#), **Relating to property owners' association annual meetings held electronically** by Reps. Jetton & Fierro, would have allowed owners' organizations to hold annual meetings electronically.
- [SB 206](#), **Relating to the operation of golf carts in certain areas** by Rep. Schwertner, would have permitted the operation of golf carts in a master planned community without a golf cart license plate.

Contact your Legislators

The legislative session has ended, but you should still contact your local representatives throughout the year and ahead of the 2022 session to share your concerns and opinions. [Click here to contact your state legislators.](#)

For more information on CAI Texas Legislative Action Committee activities and community association legislation in Texas, visit www.caionline.org/Texas.

YOUR ASSISTANCE IS NEEDED!

CAI uses professional, paid lobbyists as a vital and integral part of the legislative process. As volunteers, CAI members significantly rely on this highly effective professional representation. To help fund advocacy activities in 2022 and

beyond, donations are vital to our continued successes. We encourage donations from Texas community associations and individuals. Please visit www.caionline.org/lacdonate/ and donate to “Texas” to support our continued efforts.

Texas Contact Information

- [Community Associations Institute – Texas Legislative Action Committee](#)
- [Community Associations Institute Texas State Chapters](#)
 - [Austin Chapter](#): 512-858-5228
 - [Dallas/Ft. Worth Chapter](#): 972-246-3540 (221)
 - [Greater Houston Chapter](#): 713-784-5462
 - [San Antonio Chapter](#): 210-389-6382