



CAI Texas/TCAA LEGISLATIVE SESSION UPDATE

TCAA Minute – May 24, 2021

Community Association Legislation

The Texas legislative session is almost complete. Tuesday, May 25th is the deadline for the House to pass all bills and resolutions (except for local bills), and Wednesday, May 26th is the last day for the House and Senate to finally pass all bills and resolutions. The final day of the legislative session is on Monday, May 31st. CAI-TCAA's team has been successful in stopping or improving multiple bills at the Texas capitol that could negatively impact community associations and their volunteers, though the problematic SB 1588 is nearing final approval at the capitol.

SB 1588 makes substantial and unwarranted changes to multiple provisions of the Texas Property Code relevant to property owners' associations, including restricted service on architectural review committees, changes to fees related to resale certificates and increased liability for POAs, new requirements for association websites and publicly available documents, new and redundant requirements for filing management certificates and likely new filing fees, and converting hearings before Board into adversarial proceedings. Several amendments were also added on the House floor, including:

- allowing suits to be filed against POAs in Justice of the Peace Court for claimed violations of Chapter 209 of the Texas Property Code
- requiring that service contracts worth more than \$50,000 be sent out for bid
- permitting homeowners to construct swimming pool enclosures
- permitting homeowners to install certain home security measures, including fences, in locations prohibited by the plan of development of a community
- permitting the unfettered display of religious items if based on a "sincere religious belief"

The bill as passed by the House contains numerous problematic provisions, and CAI-TCAA's team will continue efforts to improve the bill in conference committee, where House and Senate negotiators will work on a final compromise version of the bill.

Other bills relevant to property owners' associations include:

SB 581 (Bettencourt/Schofield) outlines the extent to which a property owner's association may restrict some displays of religious items at a residence. The bill provides a property owners' association with only minimal ability to regulate such displays. Though CAI-TCAA continues to have concerns that the bill will allow offensive or problematic yard displays, our advocates were able to amend the bill to include some restrictions where displays may be located. The legislation has been sent to the Governor.

HB 3571 (Bonnen) would make it unlawful for property owners' associations to prohibit an owner from installing a "security measure," including a security camera, a motion detector, or perimeter fence. It would, however, allow the association to regulate the type of fencing that is installed. The bill is pending in a Senate

committee, but the substance of the bill was also added to SB 1588, which has been tentatively approved by both chambers.

Major Bills Near Legislative Finish Line

Most major pieces of legislation at the Texas capitol are still in the final stages of consideration and negotiation as we enter the last week of the legislative session. The highest profile remaining bills fall primarily into two categories: (1) Republican priority issues and (2) state response to the February winter disaster. Other bills of note include HB 3 (defining the governor's powers during a pandemic or disaster), HB 5 (expanding broadband access), and HB 1927 (allowing permitless carry of handguns), each of which has some level of bipartisan support.

The Republican priority bills that remain pending include SB 7 (enacting election reform and restrictions), SB 10 (prohibiting taxpayer-funded lobbying), and SB 29 (regulating transgender student athletes). Governor Greg Abbott has already signed SB 8 – the “fetal heartbeat bill” – which bans most abortions in Texas. That legislation is certain to be challenged and ruled on by federal courts, possibly even the U.S. Supreme Court.

Bills related to the winter storm and related energy production issues that are still awaiting final approval include HB 14 (critical infrastructure assessment), HB 2000 (power plant winterization), SB 3 (disaster response measures), and SB 985 (review of disaster preparedness plans).

Get Involved

CAI and TCAA hope to hear from you about the issues of concern to you and your neighbors, and we also encourage you to share your support of community associations with your local legislators.

Find out who represents you at the Texas capitol: <https://wrm.capitol.texas.gov/home>

Contact members of the House Business & Industry Committee to express your support for POAs: <https://house.texas.gov/committees/committee/?committee=C040>

For more information on the Texas Legislature and updates on our activities and events, please visit caionline.org/txlac and txcaa.org

To make a contribution [CLICK HERE](#).