

## **BILL ANALYSIS**

C.S.H.B. 1396  
By: Harless  
Business & Industry  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Concerns have been raised that having more than one member per household on a property owners' association board may give disproportionate influence to a single household. C.S.H.B. 1396 seeks to address these concerns by prohibiting a person who cohabits at the same primary residence with a board member from serving on the board.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.B. 1396 amends the Property Code to prohibit a person from serving on the board of a property owners' association if the person cohabits at the same primary residence with another board member. The bill exempts from this prohibition, during a subdivision's development period, a developer of the subdivision regulated by the association or a person who cohabits with such a developer. The bill also exempts from the prohibition an association with fewer than 10 residences.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2019.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 1396 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute includes an exemption from its provisions for a property owners' association with fewer than 10 residences.