

**SUBJECT:** Allowing certain property owners' meetings to be held electronically

**COMMITTEE:** Business and Industry — committee substitute recommended

**VOTE:** 9 ayes — C. Turner, Hefner, Cain, Crockett, Lambert, Ordaz Perez, Patterson, Shine, S. Thompson

0 nays

**WITNESSES:** For — Nancy Kozanecki, HOA Reform Coalition; David Kahne;  
(*Registered, but did not testify:* John Krueger, Associa; Jay Propes, Spectrum Association Management; Tray Bates and Julia Parenteau, Texas Realtors)

Against — None

**BACKGROUND:** Business Organizations Code sec. 6.002 states that the owners, members, or governing persons of the entity, or a committee of owners, members, or governing persons, may hold meetings by using a conference telephone or similar communications equipment, or another suitable electronic communications system, including videoconferencing technology or the Internet, or any combination, if the telephone or other equipment or system permits each person participating in the meeting to communicate with all other persons participating in the meeting. If voting is to take place at the meeting, the entity must implement reasonable measures to verify that every person voting at the meeting by means of remote communications is sufficiently identified and keep a record of any vote taken.

The COVID-19 pandemic has highlighted the need for increased flexibility with respect to remote meetings. While a property owners' association board meetings may be held electronically, there currently is no such authority for an annual meeting of association members to be held electronically.

**DIGEST:** CSHB 1467 would authorize an annual meeting of a property owners'

association to be held by any method of communication, including electronic or telephonic means, provided that:

- each person in attendance at the meeting could hear and be heard by every other person at the meeting; and
- the notice of the meeting sent to members of the association included instructions to access any communication method required to attend the meeting remotely.

The bill would add electronic ballot to the voting options that a property owners' association could provide to owners.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2021.