

## **BILL ANALYSIS**

Senate Research Center

H.B. 2200  
By: Solomons (Fraser)  
Business & Commerce  
5/11/2003  
Engrossed

### **DIGEST AND PURPOSE**

In the majority of condominium communities condominium owners or renters are required to belong to a property owners association. The association's declaratory documents usually control the architectural improvements and the provision of the maintenance of common areas. For condominiums' located in areas such as golf clubs some declaratory documents require membership in a private club. H.B. 2200 provides a maximum ten-year validity of provisions requiring membership in private clubs, unless specifically continued by an affirmative vote of sixty-seven percent of property owners.

### **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 Subchapter B, Chapter 81, Property Code, by adding Section 81.112, as follows:

Sec. 81.112. RESTRICTION RELATING TO CLUB MEMBERSHIP. (a) Provides that a provision of a declaration, master deed, master lease, or other recorded contract that requires owners of apartments in a condominium regime to maintain a membership in a specified private club is not valid after the 10th anniversary of the date the provision is recorded or renewed unless renewed after the ninth anniversary of that date at a meeting of the apartment owners at which the renewal is approved by the holders of at least 67 percent of the ownership interests in the condominium and the text of the renewed provision is recorded in the real property records of each county in which the condominium is located.

(b) Prohibits a provision described by this section from being enacted or renewed as a bylaw by a council of owners.

SECTION 2. Amends Subchapter B, Chapter 82, Property Code, by adding Section 82.0675, as follows:

Sec. 82.0675. RESTRICTION RELATING TO CLUB MEMBERSHIP. (a) Provides that a provision of a declaration or recorded contract that requires owners of units in a condominium to maintain a membership in a specified private club is not valid after the 10th anniversary of the date the provision is recorded or renewed unless renewed after the ninth anniversary of that date in the manner provided by the declaration or recorded contract for amending the declaration or recorded contract and the text of the renewed provision is filed in the real property records of each county in which the condominium is located.

(b) Prohibits a provision described by this section from being enacted or renewed as a bylaw by the unit owners' association.

SECTION 3. Provides that the change in law made by this Act applies only to a declaration,

master deed, master lease, contract, or bylaw relating to club membership that is recorded, enacted, or renewed on or after the effective date of this Act. Provides that a provision of a declaration, master deed, master lease, contract, or bylaw relating to club membership that was recorded, enacted, or renewed before the effective date of this Act is continued in effect unless canceled after the ninth anniversary of the date the provision was recorded, enacted, or renewed at a meeting of the apartment owners at which the provision is disapproved by the holders of at least 67 percent of the ownership interests in the condominium.

SECTION 4. Effective date: September 1, 2003.