

BILL ANALYSIS

Senate Research Center

S.B. 1672
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Intergovernmental Relations
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Emerald Bay subdivision in Smith County is a community of 32 separate units, each with its own plat and dedication. The conditions, covenants, and restrictions of most of the units are identical, but nine units have different restrictions, and six units have none. The subdivision wants all the units to have identical restrictions to ensure the quality and value of the subdivision. The Emerald Bay Homeowners Association has obtained signatures from the majority of homeowners of the nonrestricted lots who support voluntarily imposing identical conditions, covenants, and restrictions to all the lots.

S.B. 1672 relates to the extension or modification of restrictive covenants in certain residential real estate subdivisions.

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 Section 201.004, Property Code, by adding Subsection (d), to authorize a procedure, if existing originally applicable restrictions provide the procedure for extension, to be used for successive extensions of the originally applicable restrictions unless the original restriction instrument expressly prohibits the procedure from being used for successive extensions.

SECTION 2. Amends Section 210.001(4), Property Code, to redefine "residential real estate subdivision" or "subdivision" to have the meaning assigned by Section 201.003 (Definitions), except that in a county described by Section 210.002(1) (relating to a residential real estate subdivision located in a county with a certain population) a subdivision that is a gated community with private streets need not be located in a city, town, or village or within the extraterritorial jurisdiction of a city, town, or village.

SECTION 3. Effective date: upon passage or September 1, 2009.