

BILL ANALYSIS

Senate Research Center
82R19396 AJA-D

H.B. 232
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Intergovernmental Relations
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 232 resolves a problem that occurs when different sections or phases of a subdivision develop at different times so that their deed restrictions cannot be amended collectively or contemporaneously. It provides the property owners an opportunity to vote on a workable procedure for amending the deed restrictions on their private property.

H.B. 232 amends current law relating to the amendment of restrictions affecting real property in certain 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 211.001(4), Property Code, to redefine "residential real estate subdivision."

SECTION 2. Amends Section 211.002, Property Code, by amending Subsections (a) and (b) and adding Subsections (d) and (e), as follows:

(a) Provides that this chapter applies only to a residential real estate subdivision or any unit or parcel of a subdivision:

(1) all or part of which is located within an unincorporated area of a county if the county has a population of less than 65,000; or

(2) all of which is located within the extraterritorial jurisdiction of a municipality located in a county that has a population of at least 65,000 and less than 135,000.

(b) Provides that this chapter applies only to restrictions that affect real property within a residential real estate subdivision or any units or parcels of the subdivision and that, by the express terms of the instrument creating the restrictions:

(1) are not subject to a procedure by which the restrictions may be amended;

(2) may not be amended without the unanimous consent of:

(A) all property owners in the subdivision; or

(B) all property owners in any unit or parcel of the subdivision; or

(3) provide that amendments to the restrictions are not operative or effective until a specified date or the expiration of a specified period.

(d) Provides that an amendment of a restriction under this chapter is effective on the filing of an instrument reflecting the amendment in the real property records of each

county in which all or part of the subdivision is located after the approval of the owners in accordance with the amendment procedure adopted under Section 211.004 (Creation or Modification of Procedure to Amend Restrictions).

(e) Provides that an amendment under this chapter of a restriction described by Subsection (b)(3) is effective as provided by this chapter, regardless of whether the date specified in the restrictions has occurred or the period prescribed by the restrictions has expired.

SECTION 3. Effective date: upon passage or September 1, 2011.