

## **BILL ANALYSIS**

Senate Research Center  
76R12415 PAM-F

C.S.S.B. 154  
By: Lindsay  
State Affairs  
4/18/1999  
Committee Report (Substituted)

### **DIGEST**

Currently, under Texas law, an association of property owners of nonresidential property must have all property owners agree to amendments to deed restrictions, if there were no provisions for deed restriction amendments when the deed was originally drafted. This bill requires nonresidential property owners to comply with certain petition procedures in order to modify restrictive covenants. The bill also invalidates the modification of a restrictive covenant under certain conditions.

### **PURPOSE**

As proposed, C.S.S.B. 154 requires nonresidential property owners to comply with certain petition procedures in order to modify restrictive covenants, and invalidates the modification of a restrictive covenant under certain conditions.

### **RULEMAKING AUTHORITY**

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Title 11, Property Code, by adding Chapter 207, as follows:

#### **CHAPTER 207. RESTRICTIVE COVENANTS APPLICABLE TO CERTAIN NONRESIDENTIAL PROPERTY**

Sec. 207.001. APPLICATION. Establishes that this chapter applies only to real property designated by a restrictive covenant for nonresidential use that is located in a county with a population of 2.8 million or more.

Sec. 207.002. DEFINITIONS. Defines "owner," "restrictive covenant," and "grantor."

Sec. 207.003. MODIFICATION OF RESTRICTIONS. Requires owners of real property subject to this chapter to comply with the applicable petition procedures of Chapter 201 to modify restrictive covenants. Invalidates the modification of a restrictive covenant under certain conditions.

SECTION 2. Effective date: September 1, 1999.

SECTION 3. Emergency clause.

### **SUMMARY OF COMMITTEE CHANGES**

SECTION 1.

Amends Section 207.002(3), Property Code, to redefine "grantor."

Amends Section 207.003(b), Property Code, to revise the conditions under which the modification of a restrictive covenant is invalidated.