BILL ANALYSIS

Senate Research Center 83R13745 AJA-F

H.B. 3800 By: Coleman (Hinojosa) Intergovernmental Relations 5/10/2013 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under the Texas Residential Property Owners Protection Act, a Texas residential property owners' association is required to record a management certificate in the real property records in each county in which any portion of a residential subdivision to which the act applies is located. This recording requirement allows for prospective tracking of the number of such associations operating in each county. However, interested parties report that there is no consistent method of indexing the certificates in the various county clerks' offices. H.B. 3800 seeks to ensure uniform recording and indexing of residential property owners' association management certificates in county real property records.

H.B. 3800 amends current law relating to the recording and indexing of property owners' association management certificates in the county real property records.

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 209.004, Property Code, by adding Subsection (a-1), to require the county clerk of each county in which a management certificate is filed as required by this section to record the management certificate in the real property records of the county and index the document as a "Property Owners' Association Management Certificate."

SECTION 2. Requires each property owners' association that is subject to Section 209.004 (Management Certificates), Property Code, immediately before September 1, 2013, to ensure that all management certificates are recorded and indexed in accordance with Section 209.004(a-1), Property Code, as added by this Act, on or after September 1, 2013, and not later than January 1, 2014, to file the association's management certificate under that section, regardless of whether the association filed a management certificate before September 1, 2013. Provides that this section does not affect the time in which a property owners' association is required to file the association's management certificate under Section 209.004, Property Code, as amended by this Act, if the association's initial duty to file the management certificate arises on or after September 1, 2013.

SECTION 3. Effective date: September 1, 2013.