

SENATE BILL 1588 | EFFECTIVE SEPTEMBER 1, 2021

BREAKING DOWN THE CHANGES TO THE TEXAS HOA LAWS

On September 1, 2021, a number of new laws took effect which balance the rights of property owners and their homeowners associations.

CAPPED FEES

Fees are capped for subdivision information (\$375), and updated resale certificates (\$75).

PUBLICALLY ACCESSIBLE DATABASE

TREC will create a publicly accessible central database of Texas HOAs by December 1, 2021. HOAs that have filed management certificates in county records before December 1 are required to file with TREC by June 1, 2022.

WEBSITE REQUIREMENT

HOAs that have at least 60 lots or a contract with a management company are required to maintain websites with management certificates and meeting information and notifications.

DEDICATORY INSTRUMENTS

HOAs are required to file dedicatory instruments with the county and provide certain contact information on all dedicatory instruments and management certificates.

NEW CREDIT REPORTING PROTECTIONS FOR PROPERTY OWNERS

Property owners have new protections from negative credit reporting when a fine or fee is in dispute, and HOAs are required to give a detailed report of charges and offer a payment plan before reporting delinquencies.

CONFLICTS OF INTEREST

The legislation prevents some conflicts of interest within HOA architectural review boards.

LEASE AGREEMENTS

HOAs are barred from requiring access to lease agreements and are only allowed to request tenant's contact info and lease beginning and end dates.

SOLICITING BIDS

HOAs are required to solicit bids for contracts for services over \$50,000.

SAFETY AND SECURITY MEASURES

HOAs are barred from prohibiting certain pool safety enclosures, the installation of certain security measures on an owner's private property, or certain religious displays.

MEETING NOTICES

HOA boards are required to provide members with timely notice about meetings.

DISPUTE RESOLUTION

The legislation provides improved due process in dispute resolution and additional legal avenues when seeking resolution from a dispute with an HOA.

