

# How HOA Laws are Changing in Texas

New REALTOR®-supported laws passed in 2021 bring more balance between the rights of property owners and their property owners' associations. At least 6 million Texans are estimated to live in communities governed by property owners' associations. This number will only increase as new communities are built across the state to meet the needs of our growing population.

Property owners' associations are often necessary to create new housing, and they typically add value to the communities they serve.

Property owners' associations also have significant power over people's homes and their communities, and it is appropriate for the Texas Legislature to ensure that that power is executed with care.

The passage of monumental HOA reform legislation wouldn't have happened without Texas REALTORS®. During the legislative process, members advocated on behalf of homeowners and homebuyers to show lawmakers the scope of the issues being faced.

Texas REALTORS® sent representatives more than 12,500 messages supporting the bill—a record-high call-for-action response!

In addition, the website MyHOAStory.com has been a great tool for collecting real-world stories from homeowner and REALTORS® about challenges they've faced with HOAs.

Following are changes made by Senate Bill 1588 that are effective on Sept. 1, 2021.

Texas REALTORS® proudly supported these pro-consumer changes.

**FEES ARE CAPPED** for subdivision information (\$375), and updated resale certificates (\$75).

TREC will create a publicly accessible **CENTRAL DATABASE OF TEXAS HOAS** by Dec. 1, 2021. HOAs that have filed management certificates in county records before Dec. 1, 2021 are required to file with TREC by June 1, 2022.

HOAs are required to **MAINTAIN WEBSITES** with management certificates and meeting information and notifications.

HOAs are required to **FILE DEDICATORY INSTRUMENTS WITH THE COUNTY** and provide certain contact information on all dedicatory instruments and management certificates.

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.

Prevents some **CONFLICTS OF INTEREST** within HOA architectural review boards.

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.

HOAs are required to **SOLICIT BIDS** for any contract for services over \$50,000.

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**.

HOA boards are required to provide members with **TIMELY NOTICE ABOUT MEETINGS**.

Improves **DUE PROCESS IN DISPUTE RESOLUTION** and provides additional legal avenues when seeking resolution from a dispute with an HOA.

