



CAI Texas/TCAA LEGISLATIVE SESSION UPDATE

CAI/TCAA MINUTE – February 12, 2021

More Community Association Legislation

Texas legislators continue to file bills impacting community associations, and CAI/TCAA want to highlight the following bills:

HB 1202 (Jetton) relates to the amendment of a dedicatory instrument to remove a discriminatory provision, including dedicatory instruments applicable to property owners associations. Under this bill, a “discriminatory provision” is defined as a restrictive covenant that prohibits the use, sale, lease, or transfer of real property or an interest in real property to a person because of race, color, religion, or national origin and is otherwise void. A discriminatory provision may be removed by amendment signed by a majority of the governing body and filed with the county. A discriminatory provision must be removed by the governing body and filed with the county upon receipt of a petition approved by owners representing 10% of the total number of lots subject to the dedicatory instrument.

HB 1281 (Wilson) attempts to fix the unintended consequence of a bill passed during the last legislative session that has been interpreted to require all golf carts to be licensed. It also provides that an HOA is de facto a “master planned community” in which by current law golf carts can be operated if it meets the definition of a residential subdivision.

HB 1383 (Bucy) would prevent entities, including HOAs and condominium associations, from prohibiting campaign and voter registration personnel from knocking on doors, leaving fliers, and conducting other canvassing activities. It does, however, allow entities to adopt rules regarding the permissible time, place, and manner of delivery of these political communications.

Federal COVID-19 Relief Plan Could Have Big Impact On Texas Budget

Federal lawmakers continue to advance a \$1.9 trillion COVID-19 relief package designed to support households, businesses, and state and local governments through the ongoing pandemic. The proposal includes several big expenditures, including direct payments of \$1,400 to most Americans, extension of \$400 federal unemployment

benefits through September, provision of \$350 billion in state and local government aid, and provision of another \$130 billion for schools.

The stimulus funding could dramatically improve the outlook for the state budget currently being crafted in Austin, as the Texas share of the stimulus funding would amount to billions of dollars for state and local governments and schools. Those dollars would help state legislators address the nearly \$1 billion deficit in the 2020-2021 budget and the \$7 billion deficit in the first drafts of the House and Senate proposals for 2022-2023, though lawmakers would likely use the federal funds only for one-time investments, such as COVID-19 response efforts, bolstering state pension funds, or repairing infrastructure.

Texas Legislature Considering COVID-19 Liability Protections For Businesses

Leadership at the Texas capitol is considering measures to provide legal liability protection for businesses facing lawsuits related to COVID-19 exposure as long as they were following COVID-19 guidelines from government authorities, such as the Centers for Disease Control and Prevention or a local or state health department. The premise is that COVID-19 is community-spread, making it difficult or impossible to determine where a person contracted the virus. If a person files a personal injury lawsuit against a business, they would face a higher standard of proof and have to cite credible science proving that they contracted the virus at the place of business. Governor Greg Abbott and Lieutenant Governor Dan Patrick have both named the issue as a top legislative priority, and legislators are expected to file multiple bills addressing the issue.

Get Involved

CAI and TCAA hope to hear from you about the issues of concern to you and your neighbors, and we also encourage you to share your support of community associations with your local legislators. For more information on the Texas Legislature and updates on our activities and events, please visit caionline.org/txlac and txcaa.org.