

News from Premier

Senate Bill 142 is trying to pass and we would like to have you call your area State Representative and make sure they know you live in their district, are part of an HOA and would like to STOP Bill 142 from passing! With all that is trying to pass, it will drive up costs for the associations and we don't want that to happen! Click on Premier's link below for additional information:

Legislative Call to Action

## LEGISLATIVE CALL TO ACTION

Of the over sixty bills we have been monitoring this session, Burt Solomon's substitute of SB142 poses the single greatest threat to your property owners association. The original version, SB 142 by Senator West, embodied many good ideas however the substituted version introduced by Representative Solomons has transformed this bill into an HOA killer that will drive up your dues, your HOA's operating costs and has enough red tape to tie your association up in litigation for the next decade. The bill currently sits in the Calendars Committee, the House Committee responsible for deciding whether a bill will move forward for consideration by the entire House of Representatives. **Contact your legislator and tell them that this bill is very harmful to your association and you need their help to make sure it does not pass out of the Calendars Committee!** Instructions are included at the bottom.

**CLICK HERE**  
**TO FIND**  
**YOUR STATE**  
**REPRESENTATIVE'S**  
**CONTACT INFO**

### **CSSB142 - Solomons**

SB142 was a bill taken up by Burt Solomons in the House of Representatives where it has just been passed out of committee and is waiting to be scheduled for a vote from the entire House. This bill is full of significant problems that will cost Homeowners Associations and Condo Associations, and you the homeowner, huge sums of money! This bill is beyond fixing at this point because the legislative process from here on out is simply too unpredictable and will likely result in even more bad amendments to the bill that **will become extremely burdensome and costly to your community. We need your help to stop this bill!**

**BOARD MEETINGS** - This will make it illegal for your board to have any discussion on any topic without sending notice to all of the homeowners first. It would become extremely difficult to hold a Board meeting even to handle routine items such as landscaping or pool rules! The board would not be able to make ANY decisions by e-mail or even communicate on a topic by email. We support language that requires certain kinds of topics to be discussed after giving notice, however this is over reaching and again will result in more costs for the Association and more headaches for the Board.

**RECOVERY OF ATTORNEY'S FEES** - This changes the law so that the HOA is no longer entitled to recover its attorney's costs in matters pertaining to collection or covenant violations. This WILL increase assessments if the HOA has to absorb all the costs for trying to collect and enforce covenants!

**PRIORITY OF PAYMENTS** - This allows partial payments on past due balances to be applied to assessments first and leaves the HOA holding the bag for all other fees incurred up to the point that this partial payment is received. They might be able to collect the rest at the sale but the 4 year statute of limitations governs the collectability of old assessments so that is unlikely. This makes it possible for people to game the system and never have to pay their late fees which the HOA will then have to absorb. Reasonable costs incurred in collection shouldn't be unreasonably difficult to collect or HOA's will have to raise assessments.

**THIRD PARTY COLLECTIONS** - Requires certified notice return receipt requested for every late notice collection letter every time a homeowner is late if the HOA takes any action to collect which results in a late fee. The HOA will not be able to recoup this cost from the delinquent owners. Also, the HOA would not be able to recoup its costs of collection that are charged by the management company. This isn't required by anyone else in any other industry and is going to result in exorbitant costs for all these mailings that everyone else in the neighborhood will have to pay for. It is also going to delay their receipt of payment by as much as an additional 30 days and run thin budgets into the red.

**SOLAR PANELS** - The HOA will lose all ability to prohibit Solar Panels if they substantially interfere with a neighbor's use and enjoyment of their own property. This is different from other solar panel legislation that allowed HOAs to have some control in these kinds of situations.

**RESALE CERTIFICATES** - Associations issue resale certificates when requested by a purchaser that have information pertaining to the Association's: financials, deed restrictions, capital improvement fees, assessments, payment cycles, special assessments, capital improvements, violation history of an owner (to ensure compliance), balances due, budgets, balance sheets, insurance, liens, and many important reports to help a buyer evaluate a community before purchasing. The cost of this is borne by the requestor however this bill requires the HOA to pay to the majority of this cost.

**ASSESSMENT LIEN FILING** - This requires all the HOA documents (collection policies, affidavits of lien, etc.) that are filed with the county to be prepared by an attorney. Again, needless extra costs that the HOA is invariably going to want to recoup. All this does is drive up costs and assessments. It is a solution looking for a problem.

### **WHAT YOU CAN DO ABOUT IT**

We ask that after reading this you contact your State Representative. Make sure you let the person you talk with know that you live in their district. Tell them that you want to make sure that he or she knows you live in a homeowners association and that you would like his/her help to **make sure the committee substitute for SB142 is voted down! SB142 needs to be stopped to keep your dues from increasing and that you do not support the bill!**

Please take a few minutes to do this. It will make a difference!

### **MAKING THE CALL**

Calling a Representatives' office is a simple, short process. Normally you will be referred to the staff member who is in charge of that topic for the Representative. During the conversation with the Representative's staff try not to appear "scripted". An example of what to say is below:

"Hi, my name is \_\_\_\_\_. I am a homeowner in the \_\_\_\_\_ Homeowners Association. I live in Representative \_\_\_\_\_'s district. I am calling about Senate Bill 142 and I want to make sure that Representative \_\_\_\_\_ knows that I do not support the bill. I am asking that you do whatever is necessary to keep this bill from passing! I understand the intent of this bill and support that – however there are simply too many problems with the bill."

**Please do not read the script above when you call the Representative; it will have no effect if everyone calls saying exactly the same thing in exactly the same way.**

If the Representative's aide asks you a question that you don't know the answer to (they rarely ask you questions – they usually just write down your comments) simply tell them that you are not familiar with all of the various aspects of this but that you wanted to call and voice your concern and ask for their help. Just let them know that this bill in its current form will increase your dues and that you and those in your neighborhood do not want that to happen. Stress to them that you need the Representative's help to ensure that SB142 is amended so that it will not harm your HOA.

PLEASE THANK THE PERSON FOR LISTENING TO YOUR CONCERNS.

### **EACH CALL COUNTS**

Thank you so much for taking time to call. Please make sure to be courteous and pleasant during the conversation.

***Your call does make a difference!***

### **\*\*GETTING YOUR REP'S CONTACT INFO\*\***

You can get your State Representative's contact information here:

**<http://www.fyi.legis.state.tx.us/Address.aspx>**

Please make sure you contact your  
STATE Representative, not the U.S. Representative.

State Representative: Vicki Truitt (817) 488-4098 Capitol Phone: (512) 463-0690