PROPERTY CODE

TITLE 11. RESTRICTIVE COVENANTS

CHAPTER 209. TEXAS RESIDENTIAL PROPERTY OWNERS PROTECTION ACT

Sec. 209.0051. OPEN BOARD MEETINGS. (a) This section does not apply to a property owners' association that is subject to Chapter $\underline{551}$, Government Code, by application of Section $\underline{551.0015}$, Government Code.

- (b) In this section, "board meeting":
- (1) means a deliberation between a quorum of the voting board of the property owners' association, or between a quorum of the voting board and another person, during which property owners' association business is considered and the board takes formal action; and
- (2) does not include the gathering of a quorum of the board at a social function unrelated to the business of the association or the attendance by a quorum of the board at a regional, state, or national convention, ceremonial event, or press conference, if formal action is not taken and any discussion of association business is incidental to the social function, convention, ceremonial event, or press conference.
- (c) Regular and special board meetings must be open to owners, subject to the right of the board to adjourn a board meeting and reconvene in closed executive session to consider actions involving personnel, pending or threatened litigation, contract negotiations, enforcement actions, confidential communications with the property owners' association's attorney, matters involving the invasion of privacy of individual owners, or matters that are to remain confidential by request of the affected parties and agreement of the board. Following an executive session, any decision made in the executive session must be summarized orally and placed in the minutes, in general terms, without breaching the privacy of individual owners, violating any privilege, or disclosing information that was to

remain confidential at the request of the affected parties. The oral summary must include a general explanation of expenditures approved in executive session.

- (c-1) Except for a meeting held by electronic or telephonic means under Subsection (c-2), a board meeting must be held in a county in which all or part of the property in the subdivision is located or in a county adjacent to that county.
- (c-2) A board meeting may be held by electronic or telephonic means provided that:
- (1) each board member may hear and be heard by every other board member;
- (2) except for any portion of the meeting conducted in executive session:
- (A) all owners in attendance at the meeting may hear all board members; and
- (B) owners are allowed to listen using any electronic or telephonic communication method used or expected to be used by a board member to participate; and
- (3) the notice of the meeting includes instructions for owners to access any communication method required to be accessible under Subdivision (2)(B).
- (d) The board shall keep a record of each regular or special board meeting in the form of written minutes of the meeting. The board shall make meeting records, including approved minutes, available to a member for inspection and copying on the member's written request to the property owners' association's managing agent at the address appearing on the most recently filed management certificate or, if there is not a managing agent, to the board.
- (e) Members shall be given notice of the date, hour, place, and general subject of a regular or special board meeting, including a general description of any matter to be brought up for deliberation in executive session. The notice shall be:

- (1) mailed to each property owner not later than the $10 \, \text{th}$ day or earlier than the $60 \, \text{th}$ day before the date of the meeting; OR
- (2) provided at least 144 hours before the start of a regular board meeting and at least 72 hours before the start of a special board meeting by:
- (A) posting the notice in a conspicuous manner reasonably designed to provide notice to property owners' association members:
- (i) in a place located on the association's common property or, with the property owner's consent, on other conspicuously located privately owned property within the subdivision; OR
- (ii) on any Internet website available to association members that is maintained by the association or by a management company on behalf of the association; and
- (B) sending the notice by e-mail to each owner who has registered an e-mail address with the association.
- (f) It is an owner's duty to keep an updated e-mail address registered with the property owners' association under Subsection (e)(2)(B).
- (g) If the board recesses a regular or special board meeting to continue the following regular business day, the board is not required to post notice of the continued meeting if the recess is taken in good faith and not to circumvent this section. If a regular or special board meeting is continued to the following regular business day, and on that following day the board continues the meeting to another day, the board shall give notice of the continuation in at least one manner prescribed by Subsection (e)(2)(A) within two hours after adjourning the meeting being continued.
- (h) Except as provided by this subsection, a board may take action outside of a meeting, including voting by electronic or telephonic means, without prior notice to owners under Subsection (e), if each board member is given a reasonable opportunity to express the board member's opinion to all other

board members and to vote. Any action taken without notice to owners under Subsection (e) must be summarized orally, including an explanation of any known actual or estimated expenditures approved at the meeting, and documented in the minutes of the next regular or special board meeting. The board may not, unless done in an open meeting for which prior notice was given to owners under Subsection (e), consider or vote on:

- (1) fines;
- (2) damage assessments;
- (3) initiation of foreclosure actions;
- (4) initiation of enforcement actions, excluding temporary restraining orders or violations involving a threat to health or safety;
 - (5) increases in assessments;
 - (6) levying of special assessments;
- (7) appeals from a denial of architectural control approval;
- (8) a suspension of a right of a particular owner before the owner has an opportunity to attend a board meeting to present the owner's position, including any defense, on the issue;
 - (9) lending or borrowing money;
- (10) the adoption or amendment of a dedicatory instrument;
- (11) the approval of an annual budget or the approval of an amendment of an annual budget;
 - (12) the sale or purchase of real property;
 - (13) the filling of a vacancy on the board;
- (14) the construction of capital improvements other than the repair, replacement, or enhancement of existing capital improvements; or
 - (15) the election of an officer.
- (i) This section applies to a meeting of a property owners' association board during the development period only if the meeting is conducted for the purpose of:

- (1) adopting or amending the governing documents, including declarations, bylaws, rules, and regulations of the association;
- (2) increasing the amount of regular assessments of the association or adopting or increasing a special assessment;
- (3) electing non-developer board members of the association or establishing a process by which those members are elected; or
- (4) changing the voting rights of members of the association.