H.B. No. 939

AN ACT
relating to unenforceable restrictive covenants regarding standby electric generators affecting residential homes.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 202, Property Code, is amended by adding Section 202.019 to read as follows:

Sec. 202.019. STANDBY ELECTRIC GENERATORS. (a) In this section, "standby electric generator" means a device that converts mechanical energy to electrical energy and is:

(1) powered by natural gas, liquefied petroleum gas, diesel fuel, biodiesel fuel, or hydrogen;
(2) fully enclosed in an integral manufacturer-supplied sound attenuating enclosure;
(3) connected to the main electrical panel of a residence by a manual or automatic transfer switch; and
(4) rated for a generating capacity of not less than seven kilowatts.

(b) Except as provided by this section, a property owners' association may not adopt or enforce a dedicatory instrument provision that prohibits, restricts, or has the effect of prohibiting or restricting an owner from owning, operating, installing, or maintaining a permanently installed standby electric generator.

(c) A property owners' association may adopt or enforce any
of the following dedicatory instrument provisions to regulate the
operation and installation of standby electric generators:

(1) a dedicatory instrument provision that requires a
standby electric generator to be installed and maintained in
compliance with:
   (A) the manufacturer's specifications; and
   (B) applicable governmental health, safety,
electrical, and building codes;

(2) a dedicatory instrument provision that requires
all electrical, plumbing, and fuel line connections to be installed
only by licensed contractors;

(3) a dedicatory instrument provision that requires
all electrical connections to be installed in accordance with
applicable governmental health, safety, electrical, and building
codes;

(4) a dedicatory instrument provision that requires
all natural gas, diesel fuel, biodiesel fuel, or hydrogen fuel line
connections to be installed in accordance with applicable
governmental health, safety, electrical, and building codes;

(5) a dedicatory instrument provision that requires
all liquefied petroleum gas fuel line connections to be installed
in accordance with rules and standards promulgated and adopted by
the Railroad Commission of Texas and other applicable governmental
health, safety, electrical, and building codes;

(6) a dedicatory instrument provision that requires
nonintegral standby electric generator fuel tanks to be installed
and maintained to comply with applicable municipal zoning
ordinances and governmental health, safety, electrical, and building codes;

(7) a dedicatory instrument provision that requires the standby electric generator and its electrical lines and fuel lines to be maintained in good condition;

(8) a dedicatory instrument provision that requires the repair, replacement, or removal of any deteriorated or unsafe component of a standby electric generator, including electrical or fuel lines;

(9) a dedicatory instrument provision that requires an owner to screen a standby electric generator if the standby electric generator is:

(A) visible from the street faced by the dwelling;

(B) located in an unfenced side or rear yard of a residence and is visible either from an adjoining residence or from adjoining property owned by the property owners' association; or

(C) located in a side or rear yard fenced by a wrought iron or residential aluminum fence and is visible through the fence either from an adjoining residence or from adjoining property owned by the property owners' association;

(10) a dedicatory instrument provision that sets reasonable times, consistent with the manufacturer's recommendations, for the periodic testing of a standby electric generator;

(11) a dedicatory instrument provision that prohibits the use of a standby electric generator to generate all or
substantially all of the electrical power to a residence, except when utility-generated electrical power to the residence is not available or is intermittent due to causes other than nonpayment for utility service to the residence;

(12) a dedicatory instrument provision that regulates the location of the standby electric generator; or

(13) a dedicatory instrument provision that prohibits an owner from locating a standby electric generator on property:

(A) owned or maintained by the property owners' association; or

(B) owned in common by the property owners' association members.

(d) A dedicatory instrument provision permitted by Subsection (c), if adopted, must be reasonably applied and enforced.

(e) A dedicatory instrument provision that regulates the location of a standby electric generator is unenforceable if:

(1) it increases the cost of installing the standby electric generator by more than 10 percent; or

(2) it increases the cost of installing and connecting the electrical and fuel lines for the standby electric generator by more than 20 percent.

(f) If a dedicatory instrument requires that the installation of a standby electric generator be approved before installation, approval may not be withheld if the proposed installation meets or exceeds the dedicatory instrument provisions permitted by Subsection (c).
If a dedicatory instrument provision requires an owner to submit an application for approval of improvements located exterior to a residence, this section does not negate the requirement, but the information required to be submitted as part of the application for the installation of a standby electric generator may not be greater or more detailed than the application for any other improvement.

In a hearing, action, or proceeding to determine whether a proposed or installed standby electric generator complies with the requirements of a dedicatory instrument provision permitted by Subsection (c), the party asserting noncompliance bears the burden of proof.

SECTION 2. Section 202.019, Property Code, as added by this Act, applies to a dedicatory instrument adopted before, on, or after the effective date of this Act.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.
H.B. No. 939

President of the Senate

Speaker of the House

I certify that H.B. No. 939 was passed by the House on May 8, 2015, by the following vote: Yeas 139, Nays 2, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 939 on May 27, 2015, by the following vote: Yeas 140, Nays 0, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 939 was passed by the Senate, with amendments, on May 25, 2015, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: __________________

Date

Governor