

Housing and Real Property

S.B. 61

Primary Sponsors: Sens. Blessing and Antonio

Effective date: September 13, 2022

Condominiums and planned communities

- Authorizes the board of directors for a condominium unit owners association (UOA) and planned community home owners association (HOA) to amend their declarations and bylaws to remove unlawful discriminatory covenants without the majority vote of the owners.
- Prohibits a majority of an UOA board of directors and HOA board of directors from consisting of owners or representatives from the same unit (condominiums) or owners or representatives from the same lot (planned communities) unless the board specifically makes an exception before such a majority is in place.
- Requires UOA and HOA boards of directors to adopt budgets annually.
- Requires that the reserves included in a UOA budget be adequate to repair or replace major capital items in the normal course of operations without special assessments, unless an exception applies, and eliminates the requirement that the reserves be at least 10% of the annual budget.
- Requires, for both condominiums and planned communities, that any waiver of the reserve requirement be done annually in writing.
- Requires, generally, a UOA board or HOA board to maintain blanket fidelity, crime, or dishonesty insurance coverage for any person who controls or disburses association funds.
- Increases the amount of the fire and extended coverage insurance a UOA board must maintain for all buildings and structures of the condominium property from at least 80% of the property's fair market value to at least 90% of the property's replacement cost.
- Expands the authority of UOA and HOA boards to take part in legal actions to include land use proceedings and proceedings that involve two or more owners, impact zoning, or otherwise relate to matters affecting the property.
- Shifts, for condominium unit owners, the default for examining or copying certain books, records, or minutes from permitting the condominium board to refuse permission to requiring the permission of the UOA board.
- Requires an owner to obtain UOA or HOA board approval to examine or copy books, records, or minutes that are more than five years old.

- Allows certain UOA or HOA notices to be sent by email.
- Designates the UOA lien for payment of specified expenses a continuing lien that allows collection of amounts that accrue after the lien is filed.
- Permits a UOA board to charge and collect fees for social activities or charitable contributions made on behalf of the UOA.
- Regulates the installation and use of solar energy collection devices on condominium property and in planned communities.

New Community Authority Law

- Changes from December 31, 2021, to December 31, 2024, the date by which a new community authority must be established for a developer with a 99-year renewable lease of the land to qualify to carry out a new community development program under the New Community Authority Law.

Recording fees

- Specifies that the fee the county recorder must collect for entering or indexing any reference by separate recorded instrument includes any marginal reference or a reference that was accomplished by a marginal reference but is now accomplished through electronic means.