

Committee on Regulated Industries

CS/CS/HB 7037 — Residential Communities

by Judiciary Committee; Business and Professional Regulation Subcommittee; Civil Justice Subcommittee; and Rep. Spano and others (CS/CS/SB 1466 by Judiciary Committee; Regulated Industries Committee; and Senators Lee and Evers)

The bill expands the services that may be performed by community association managers on behalf of condominiums, cooperatives, and homeowners' associations. The bill permits community association managers to:

- Determine the number of days required for statutory notices;
- Determine the amounts due the association;
- Collect amounts due to the association before filing a civil action;
- Calculate the votes required for a quorum or to approve a proposition or amendment;
- Complete forms related to the management of a community association that have been created by statute or by a state agency;
- Draft meeting notices and agendas;
- Calculate and prepare certificates of assessment and estoppel certificates;
- Respond to requests for certificates of assessment and estoppel certificates;
- Negotiate monetary or performance terms of a contract subject to approval by an association;
- Draft prearbitration demands;
- Coordinate or perform maintenance for real or personal property and other routine services involved in the operation of a community association; and
- Comply with the association's governing documents and the requirements of law as necessary to perform such practices.

The bill provides a "notice of intent to file a claim of lien" form, "notice of contest of lien" form, and a "release of lien" form for condominium, cooperative, and homeowners' associations. It provides a "delinquent assessment" form for condominium and homeowners' associations. It also provides a "notice of contest of lien" form for cooperative associations.

The bill provides professional standards for community association managers and firms. It provides for indemnification by the association and specifies the actions that cannot be indemnified.

The bill provides that the claim of lien of a cooperative association is not effective one year after the claim of lien was recorded unless, within that time, an action to enforce the lien is commenced. It provides that the one-year period is automatically extended for any length of time during which the association is prevented from filing a foreclosure action by an automatic stay resulting from a bankruptcy petition filed by the parcel owner or any other person claiming an interest in the parcel. This conforms the requirements for a claim of lien by cooperative associations with the claim of lien requirements for condominium associations.

If approved by the Governor, these provisions take effect July 1, 2014.

Vote: Senate 36-3; House 97-15