



686078

LEGISLATIVE ACTION

Senate

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House

The Committee on Rules (Hutson) recommended the following:

Senate Amendment (with directory and title amendments)

Between lines 2493 and 2494

insert:

(i)1. While a developer is in control of a homeowners' association, the developer may, but is not required to, include reserves in the budget. If the developer includes reserves in the budget, the developer may determine the amount of reserves included. The developer is not obligated to pay for:

a. Contributions to reserve accounts for capital expenditures and deferred maintenance, as well as any other



12 reserves that the homeowners' association or the developer may
13 be required to fund pursuant to any state, municipal, county, or
14 other governmental statute or ordinance;

15 b. Operating expenses; or

16 c. Any other assessments related to the developer's parcels
17 for any period of time for which the developer has provided in
18 the declaration that in lieu of paying any assessments imposed
19 on any parcel owned by the developer, the developer need only
20 pay the deficit, if any, in any fiscal year of the association,
21 between the total amount of the assessments receivable from
22 other members plus any other association income and the lesser
23 of the budgeted or actual expenses incurred by the association
24 during such fiscal year.

25 2. This paragraph applies to all homeowners' associations
26 existing on or created after July 1, 2021.

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28 ===== D I R E C T O R Y C L A U S E A M E N D M E N T =====

29 And the directory clause is amended as follows:

30 Delete lines 2255 - 2257

31 and insert:

32 subsection, paragraph (i) is added to subsection (6) of that
33 section, and paragraph (c) of subsection (2), paragraph (c) of
34 subsection (5), paragraphs (c) and (d) of subsection (6), and
35 paragraphs (b), (d), (g), (k), and (l) of subsection (10) of
36 that section are

37
38 ===== T I T L E A M E N D M E N T =====

39 And the title is amended as follows:

40 Delete line 84



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41 and insert:

42 reserve accounts; authorizing certain developers to
43 include reserves in the budget; specifying the
44 developers are not obligated to pay for certain
45 expenses; providing applicability; revising the
46 procedure to challenge