
SENATE BILL 5134

State of Washington 63rd Legislature 2013 Regular Session

By Senators Honeyford, King, Benton, Becker, Holmquist Newbry, and Sheldon

Read first time 01/21/13. Referred to Committee on Financial Institutions, Housing & Insurance.

1 AN ACT Relating to reserve studies for certain homeowners'
2 associations; and amending RCW 64.34.380.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 64.34.380 and 2011 c 189 s 3 are each amended to read
5 as follows:

6 (1) An association is encouraged to establish a reserve account
7 with a financial institution to fund major maintenance, repair, and
8 replacement of common elements, including limited common elements that
9 will require major maintenance, repair, or replacement within thirty
10 years. If the association establishes a reserve account, the account
11 must be in the name of the association. The board of directors is
12 responsible for administering the reserve account.

13 (2) Unless doing so would impose an unreasonable hardship, an
14 association with significant assets shall prepare and update a reserve
15 study, in accordance with the association's governing documents and RCW
16 64.34.224(1). The initial reserve study must be based upon a visual
17 site inspection conducted by a reserve study professional.

18 (3) Unless doing so would impose an unreasonable hardship, the
19 association shall update the reserve study annually. At least every

1 three years, an updated reserve study must be prepared and based upon
2 a visual site inspection conducted by a reserve study professional. An
3 association with fewer than fifty units or homes may, by a majority
4 vote of its members, elect to have the board update the reserve study
5 annually after the association has had one reserve study conducted by
6 a reserve study professional.

7 (4) This section and RCW 64.34.382 through 64.34.392 apply to
8 condominiums governed by chapter 64.32 RCW or this chapter and intended
9 in whole or in part for residential purposes. These sections do not
10 apply to condominiums consisting solely of units that are restricted in
11 the declaration to nonresidential use. An association's governing
12 documents may contain stricter requirements.

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