

2026 Tennessee Legislative Session Report



TENNESSEE
LEGISLATIVE ACTION COMMITTEE
Community Associations Institute

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Community Associations Institute (CAI) Tennessee Legislative Action Committee (TN LAC) spent the 2026 legislative session advocating on behalf of [approximately 765,000 Tennesseans who live in 315,000 homes in more than 5,500 community associations](#) across the Volunteer state.

Legislative Overview

Tennessee's 2026 legislative session concluded on April 23 wrapping up the two year, 114th General Assembly. Following November elections, the 115th General Assembly will convene on January 12, 2027. [Learn more about TN LAC's work during the 2025 session.](#)

Laws in Tennessee are made by the General Assembly—a bicameral body consisting of a Senate and a House of Representatives—and signed by the Governor. To become law a bill must pass three considerations in both chambers, get approval from a majority of members, and receive executive approval or become law without a signature. [Learn more about how laws are created in Tennessee.](#)

This year, TN LAC tracked over 60 bills in Tennessee, directly advocating on those with potential implications on the community association industry. Below are the highlights:

Priority Legislation

CAI Legislative Action Committees (LACs) support legislation that aligns with [CAI's public policy positions](#) and opposes legislation that does not.

SB 2282/HB 2306 – Home-Based Childcare

TN LAC **opposed** this legislation, which would have removed a community association's ability to regulate home-based childcare facilities within an association if the childcare owner has obtained proper state licenses and permits. The bill would have effectively voided governing documents for both condominiums and homeowners associations that

failed to comply with new guidance. The legislation would also have imposed civil penalties and punitive damage penalties up to \$1,000 for violations.

This legislation would have applied to all new declarations as well as existing declarations amended on or after its effective date which is proposed as August 2026. The bill did not limit the number of home-based childcare facilities in a community nor notice requirements to Boards for who is operating these facilities.

This legislation conflicts with [CAI's Residential Childcare Facility Public Policy](#). CAI recognizes the right and the obligation of community associations to regulate certain activities within their communities, including reasonable rules and restrictions governing the presence of home-based childcare facilities, which may otherwise interfere with or disrupt the quiet enjoyment and day-to-day living for community residents. CAI encourages policymakers in Tennessee and beyond to engage industry stakeholders, including community association homeowners, board members, volunteer leaders, and business partners, on this issue.

Though CAI made a concerted efforts to work with legislators and favorably amend the legislation, legislators were ultimately not open to such changes in the language. In early March when the bill was scheduled to be considered by the Senate State and Local Government Committee on Tuesday, March 10 and the House Cities & Counties Subcommittee on Wednesday, March 11, CAI sent a call to action to advocates across the Volunteer State to urge them to contact the committee members and urge them to oppose the legislation. A total of 98 CAI advocates engaged with this campaign, sending a total of 1,170 messages to 9 legislators expressing opposition to the proposed legislation. Notably, 57 of these advocates (58%) of these advocates had not previously engaged with a call to action from CAI.

CAI then requested advocates' attendance at the hearing of the Senate State and Local Government Committee on March 17, when the bill was considered by legislators. TN LAC continued to offer fair amendment language to improve this legislation for community associations, but members of the Committee ignored these critical changes.

HB 2306 was ultimately moved to the January 2027 calendar for consideration, effectively killing the bill for the 2026 legislative session. TN LAC will continue to advocate against legislation that removes a community association's ability to adopt reasonable rules and regulations addressing home-based childcare facilities within communities.

Status: Bill died in committee.

HB 1462/SB 1763 – First Responder Vehicle Parking

TN LAC **opposed** this legislation because it removed the ability of homeowners' associations in Tennessee to prohibit or penalize first responders for parking emergency vehicles at their residences or on adjacent roadways. The bill defined emergency vehicles, first responders, and law enforcement agencies to include various public safety personnel and vehicles used for official purposes. The act specifically prevented homeowners' associations from adopting rules to restrict such parking practices for homeowners who are first responders.

CAI **supports policies** that allow governance to occur at the lowest possible level. Legislatures and regulatory agencies should acknowledge the right of self-determination by owners who elect volunteers and have a vested interest in their own communities. CAI encourages communities to support and work with first responders regarding parking of first responder vehicles as appropriate for each community.

Status: Died in committee.

CAI MONITORED THE BELOW BILLS

CAI LACs monitor legislation with the potential to impact those living and working in community associations across their state, as well as legislation that may indirectly or unintentionally impact community associations.

SB 1787 / HB 1875 – Electric Vehicle Charging Stations

TN LAC **monitored** this legislation, which prevents unit or homeowners' associations from restricting property owners from installing electric vehicle charging stations for personal use, with certain reasonable conditions on number, placement, and installation methods. Associations can limit installations in common areas except for designated parking locations that belong to owners.

TN LAC worked with legislators to ensure that this legislation aligns with CAI's **public policy on electric vehicle charging stations**, which expresses support for legislation that recognizes the core principle of self-governance and co-ownership of common property of the community association housing model. CAI supports legislation that permits the association to enact reasonable rules and regulations concerning the costs, installation, maintenance, and removal of a charging station.

Status: Signed by Governor. Public Chapter 914.

HB 2338 / SB 2326 – Blanket Fidelity Bonds

TN LAC [monitored](#) this legislation, which requires a homeowners' association collecting assessments for common expenses to obtain and maintain a blanket fidelity bond to insure the HOA against losses resulting from theft or dishonesty committed by the officers, directors, or persons employed by the HOA, or committed by any managing agent or employee of the managing agent. The legislation states that such bond or insurance policy must provide coverage in an amount equal to the reserve balances of the association plus one-fourth of the aggregate annual assessment income of such HOA, provided that the minimum coverage amount must be \$10,000. Under this legislation, the board of directors or managing agent may obtain such bond or insurance on behalf of the HOA.

Status: Signed by Governor. Public Chapter 731.

SB 2131/HB 2031 – Accessory Dwelling Units

TN LAC [monitored](#) this legislation, which regulates accessory dwelling units (ADUs) by prohibiting local governments from imposing certain restrictive measures, such as minimum size requirements below 850 square feet, occupancy requirements, or additional development fees. It ensures that any zoning restrictions applied to ADUs are not more restrictive than those for single-family homes and allows less restrictive measures than those mandated. Under this legislation, permit applications for ADUs must be reviewed without discretionary hearings and approved within 60 days.

The legislation specifies that it does not supersede or preempt a historic preservation law, rule, or ordinance, deed restriction, or homeowners association rule or bylaw that limits or prohibits the construction of an ADU. Thus, it aligns with CAI's [public policy on accessory dwelling units](#). As each residential common interest community is unique, legislation should recognize the need for a particular community association to develop reasonable rules and regulations for accessory dwelling units consistent with that community's unique design, development, and operation. Such rules and regulations would necessarily include restrictions upon the design, materials used, size, and location of accessory dwelling units. These rules and regulations may include, but are not limited to, prohibiting multiple dwelling units within one structure, setting reasonable density limits in communities, conversion of existing property improvements, vehicle and parking restrictions, the installation of additional amenities to support these additional dwellings, and the ability of a community association to establish equitable sharing of the incremental costs associated with the additional occupancy.

Status: Bill died.

[HB 298/SB 242](#) – Homes Not Hedge Funds

TN LAC [monitored](#) this legislation, which was introduced in 2025 and carried over to 2026. It would prohibit certain business entities from purchasing more than 100 single-family homes in certain counties in Tennessee for the purpose of renting the purchased properties. The legislation also establishes a state and private cause of action and establishes damages for violations. The community association housing model succeeds when a true sense of community is cultivated and there is active homeowner involvement based upon a culture of building consensus. In contrast, short-term visitors typically have no ties to the community, are not contractually bound by the association's established policies, and are generally not invested in the overall good of the community. CAI supports short-term rental regulations that are consistent with the association's governing documents, federal, state, and local law, and which serve to protect and preserve the ability of community association homeowners to manage their affairs.

Status: Bill died.

Get Involved in CAI's Tennessee Advocacy Work Through Your Local Chapter!

In addition to strong and effective advocacy work in Nashville, CAI's Tennessee chapter provides information, resources, education programs and best practices designed to help you and your communities throughout Tennessee thrive.

Not a member yet? Join a growing global network of more than 51,000 community managers, management company executives, homeowner leaders, and business partners, and open up a world of opportunities for professional growth, networking and industry knowledge. Learn more and join today at <https://caitenn.org/>

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| <p>Track TN Legislation CAI tracks legislation throughout the year, so you can stay informed. You can check the legislation that CAI is monitoring around the clock here.</p> | <p>Legislative Resources and Chapter Contact Information CAI Tennessee Legislative Action Committee CAI Tennessee Chapter (615) 874-0031 - info@caitenn.org</p> |
| <p>Support and Donate Today CAI depends on professional lobbyists funded by community associations, businesses, and individuals to create the best public policy for the community association industry in Tennessee. Learn More & Donate Today by Selecting "Tennessee."</p> | |

Review CAI's Public Policy Positions



Help Shape Future Legislation

Join our CAI Advocacy Ambassador program and become a part of the movement to create positive change. Your voice matters, so sign up now to make your mark!



www.caionline.org/Ambassadors