



Tennessee 2022 End of Legislative Session Report

The Tennessee General Assembly ended its 2022 Session and headed home for election campaigns after considering 2,912 Senate Bills and 2,929 House Bills. CAI's Tennessee Legislative Action Committee (LAC) remained engaged throughout this Session, building on existing partnerships with lawmakers and advocating on behalf of CAI members.

We are proud of our successes as they will have a very positive impact on you and your communities. Two bills passed that we worked hard to make sure they helped Tennessee condominiums and homeowners associations and we stopped unnecessary legislation!

POLITICAL SIGNS IN YOUR COMMUNITY: SB 515/HB 411 Election Laws - As enacted, revises provisions of the Tennessee Freedom of Speech Act regarding the placement of certain political or campaign signs on private property. - Amends TCA Section 2-7-143- This bill amends the Tennessee Freedom of Speech Act to provide HOAs with authority to adopt reasonable restrictions or rules regarding <u>removal</u> of campaign signs after the election. However, the primary purpose of this measure was to allow signs to be erected sixty days prior to the early voting period.

Status: Signed by Governor Lee on March 15. Public Chapter 626, Effective July 1, 2022

VIRTUAL MEETINGS ARE NOW ALLOWED BY LAW: SB 1931/HB 2047 Corporations, Not for Profit - As introduced, authorizes the members and proxyholders of nonprofit corporations to meet remotely under certain circumstances. - Amends TCA Title 48, Chapter 57-This bill was initialed by CAI to clarify that annual and other meetings can be held remotely. The new law allows any entity incorporated as nonprofit corporation in the State of Tennessee to conduct virtual meetings, provided certain criteria are met. The entity must take reasonable measures to ensure that each person present and permitted to vote is eligible to vote, that members have an opportunity to participate in the meeting, and that a record of actions taken during the meeting be maintained.

Status: Signed by the Governor Lee on March 18. Public Chapter 704, Effective July 1, 2022.

LEGISLATION THAT FAILED

SB 2202/HB 2221 Real Property - As introduced, prohibits a homeowners' association from assessing a convenience fee against an owner of property, or the property itself, covered by the dedicatory instrument of the homeowners' association; defines "convenience fee" as a fee charged for a payment made through an electronic payment method instead of through cash or check. - Amends TCA Title 47, Chapter 18 and Title 66, Chapter 27- This bill would have prohibited an association from charging a convenience fee against a property or owner seeking to pay via electronic methods. The issue that led to





this bill was an HOA that charged a convenience fee but did not allow an alternative method to pay dues and avoid the fee. Thus, HOAs charging convenience fees are advised to keep a fee free option to avoid future legislation like this. The Senate Commerce Committee and the House Property and Planning Subcommittee closed without action on this bill.

Status: Bill died in Committee.

SB 2846/HB 2372 Real Property - As introduced, increases time, from 30 business days to 45 business days, within which a business entity that owns residential property must send notice to a homeowners' association that there has been a change in contact information or transfer of ownership of the property. - Amends TCA Title 13; Title 45; Title 47; Title 48; Title 56 and Title 66. This was a caption bill designed to begin discussions on the need for a Tennessee version of the Uniform Common Interest Ownership Act. This caption bill remained on the clerk's desk in the House until Session adjournment. The Senate Commerce placed SB 2846 in the General Subcommittee at its last meeting. Discussions on this issue will continue during the summer and legislation is likely next year.

Status: Bill died in Committee.

SB 2850/HB 2432 Real Property - As introduced, on or after July 1, 2022, redefines "bed and breakfast establishment" to include a single condominium for purposes of the Bed and Breakfast Establishment Inspection Act of 1990. - Amends TCA Title 5; Title 6; Title 7; Title 13; Title 56; Title 62; Title 66; Title 67 and Title 68- This bill was also a caption bill. The amendment added was to accommodate a company which owns a platform for residential pool rentals by the hour. The amendment included an exemption for HOA property so all forms of common interest ownership properties can regulate swimming pools as they see fit. The Senate Commerce Committee, at its last meeting, adopted the bill with clarifications recommended by CAI. The House Commerce Committee approved the bill with the Senate amendment and sent the bill to the Local Government Committee, where at the April 12 meeting the sponsor took the bill "off notice." It is expected a new, compromise bill, addressing concerns of both local government advocates and representatives of the company at the center of the issue, will be brought next year.

Status: Bill died in Senate.

SB 871/HB 645 Real Property - As introduced, redefines "bed and breakfast establishment" to include a single condominium for purposes of the Bed and Breakfast Establishment Inspection Act of 1990. - Amends TCA Title 5; Title 6; Title 7; Title 13; Title 56; Title 62; Title 66; Title 67 and Title 68- This was a caption bill. An amendment was added to this bill at the final meeting of Senate Commerce to address local regulation of short-term rentals. The amendment addressed local government authority and did not impact HOA's authority. A similar amendment was discussed in the House but deferred to the final committee meeting on April 12. Since the House committee did not support the Senate amendment, a new amendment was presented to the House committee at that meeting which appeared to have the votes to





pass. However, when the bill sponsor refused to commit not to substitute the Senate amendment on the House floor, the bill failed.

Status: Bill died in House Committee.

SB 2765/HB 2831 Real Property - As introduced, requires a landlord subject to the Uniform Residential Landlord and Tenant Act to use an updated electronic mail address provided to the landlord in writing for notifications required to be sent to the tenant. - Amends TCA Title 66- This was another caption bill. An amendment was added to allow HOA's to restrict the use of property as a long-term rental by a majority vote of the total membership of the governing board. No action was taken on this measure in the House Property & Planning subcommittee or in the Senate Commerce Committee, although it was on calendars in both.

Status: Bill died in Committee.

We need YOU!

To help fund CAI advocacy activities in 2022 and beyond, donations are vital to our continued successes. We encourage donations from Tennessee community associations and individuals and companies. Please make a donation to the <u>CAI TN LAC</u> and/or <u>CAI Tennessee PAC</u> so we can continue to be successful for you and your communities.

We need YOUR voice! <u>Sign up today</u> to become a CAI Advocacy Ambassador, and help shape legislation in your state!

Tennessee Contact Information

- Visit CAI Tennessee LAC
- Contact CAI's Government and Public Affairs Team at government@caionline.org
- Visit CAI Tennessee Chapter