

## 2022 Louisiana End of Session Report

The Louisiana State Legislature had an unprecedented year for legislation impacting the community association housing model. CAI's Government and Public Affairs team and CAI Louisiana member advocates worked diligently over the last several months to ensure the best public policy possible for community associations in the state was considered by the legislature.

Our team is pleased to provide you with the following updates from the 2022 Louisiana legislative session:

Homeowners Association Liens – HB 57 – CAI successfully amended this bill and then continued to ensure no additional amendments were attached. HB 57 amends the Louisiana Homeowners Association Act with numerous changes including providing for a 45-day notice period for individual lot owners prior to the filing of a homeowner association privilege and reducing the homeowners association privilege enforcement period from 5 years to 30 days. The amended bill now provides for a 30-day notice period for individual lot owners prior to the filing of a homeowner association privilege and reduces the homeowners association privilege enforcement period from 5 years to 1 year.

Status: Passed the General Assembly, set to the Governor for executive approval.

Amendment Process for the Removal of Discriminatory Restrictive Covenants – HB 549 - CAI supported and successfully amended this legislation to include a simplified process for community associations to remove discriminatory restrictive covenants from community documents without a vote of full membership. CAI applauds Representative Boyd for introducing HB 549, which, if enacted, would declare void any condominium associations, timeshare associations, and homeowners associations documents that have restrictions based on race or religion. At the beginning of May, Representative Boyd amended this legislation and took this bill a step further to establish a procedure which allows homeowners a simplified process for removing restrictive covenants from their property deeds. Typically, associations experience difficultly amending governing documents because most the requisite amendment process requires a vote of the majority (super majority – 67%) of the homeowners for an amendment to be adopted and the process by which a board must follow to amend government documents is an added and unnecessary expense on homeowners. CAI supports complementary legislation that would mandate the removal of discriminatory restrictions upon receipt of an individual owner's petition to the governing board of a community association or a court to remove discriminatory restrictions. Representative Boyd, the sponsor of this legislation has worked closely with CAI over the 2022 legislative session to successfully amend this legislation to include a community association's ability to have a simplified process to remove discriminatory restrictive covenants from community documents. We thank and applaud the Representative for her continued work on this important issue to the housing industry.

Status: Passed the General Assembly, sent to the Governor for executive approval.



Provides relative to property disclosures regarding building restrictions and restrictive covenants – HB 1058 – CAI opposed this legislation, and attempted to work with bill sponsor Representative Hollis to amend this bill language continuously throughout the 2022 legislative session, but CAI's amendments were inevitably rejected by the bill sponsor and the Louisiana Senate on sine die. HB 1058 provides for additional requirements of a seller to notify a purchaser of whether the real property is subject to a common regime of either covenants or building restrictions, both. It also requires that the disclosures include a statement informing the purchaser that the disclosure statement is a summary of the homeowners' association's regulations, and restrictive covenants and building restrictions are part of the public record. Existing statute already provides for the developer and/or the homeowners association to provide this documentation to prospective buyers.

Status: Passed the General Assembly, sent to the Governor for executive approval.

Louisiana Planned Community Act – SB 109 – CAI supported this legislation with amendments. SB 109 creates the Louisiana Planned Community Act modeled after the 2008 Uniform Common Interest Ownership Act (UCIOA). UCIOA is a basic statute for creating, managing, and terminating condominium, planned community, and real estate cooperatives. This legislation provides for the creation, amendment, and termination of a planned community in the state of Louisiana. CAI advocates for the adoption of Uniform Common Interest Ownership Act (UCIOA). In those states where it is not possible to adopt the act in its entirety, CAI supports and recommends consideration of appropriate portions of this law, which SB 109 did.

Status: Failed

Homeowners Association Restrictive Covenants – HB 9 – CAI successfully opposed this legislation. HB 9 provides that any provision in the community documents of residential planned communities shall be null and void if it restricts the constitutional rights of a lot owner or person residing in the residential planned community and will lead to a number of unintended consequences to community associations and homeowners. CAI is pleased to announce that after working closely with Representative Hollis, the sponsor of this legislation, he agreed to drop this bill in pursuit of other legislation which will build better communities in Louisiana.

Status: Failed

CAI applauds our incredible Louisiana members for their time and dedication to ensuring the best public policy possible is enacting for the 158,000 Louisianians living in nearly 2,000 community associations.

Join our efforts and become a <u>CAI Advocate today!</u> For more information on CAI's legislative efforts and pieces of legislation being tracked, please visit our <u>website</u>.