

2014 End of Session Report

Removal of Directors of Nonprofit Corporations - HB 350, sponsored by the LAC, clarifies that Bylaws provision controls, but if silent, a director can be removed by a majority of the HOAs voting interests. The bill was signed by the Governor.

Association Lien Amendments - HB 26 clarifies the circumstances under which an association of unit owners or an association has a lien against a unit or a lot for an unpaid fine. It provides that if a board assesses a fine against a lot owner, the lot owner may:

- request an informal hearing to dispute the fine within 30 days after the day on which the fine is assessed; and
- initiate a civil action to appeal a decision from an informal hearing; and
- makes technical changes.

The bill was signed by the Governor.

Condominium and Community Association Lien Amendments - HB 115, also sponsored by the LAC, requires that a notice of lien, for a lien based on an unpaid assessment or an unpaid fine under Title 57, Chapter 8, Condominium Ownership Act, or Title 57, Chapter 8a, Community Association Act, include the amount of the unpaid assessment or the unpaid fine

The bill requires that a notice of lien include:

- The lien claimant's name, address, and phone number; or
- If the lien claimant has a representative for purposes of the lien, the lien claimant's name and the representative's name, address, and phone number.

The bill also clarifies that a copy of a notice of lien that the lien claimant mails to the person against whom the notice of lien is filed shall include:

- The date the notice of lien was submitted for recording; and
- The article number on the certified mail receipt.

The bill was signed by the Governor.

Residential Rental Amendments - SB 147 prohibits, except under certain circumstances, an association or an association of unit owners from requiring a lot owner or a unit owner to:

- Obtain the association's or the association of unit owners' approval of a prospective renter; or
- Give the association or the association of unit owners a copy of certain documents relating to a renter.

The bill provides that no later than 30 days after the day on which a renter vacates a rental property, the owner or the owner's agent shall return to the renter the balance of any deposit and the balance of any prepaid rent and provide an itemized notice of any deductions.

Further it establishes a procedure by which a renter may:

- Notify the owner or the owner's agent of the owner or the owner's agent's failure to comply with the provisions of the preceding paragraph; and
- Provide the owner or the owner's agent a five-day opportunity to comply.

It provides that if the owner or the owner's agent fails to comply within five days after the day on which a notice is served, the renter may recover the full deposit, the full amount of any prepaid rent, and a civil penalty of \$100. Further it provides that in an action to enforce compliance with the provisions of this bill, a court shall award costs and attorney fees to the prevailing party if the court determines that the opposing party acted in bad faith.

The bill was signed by the Governor.