HLS 24RS-113 ENGROSSED

2024 Regular Session

HOUSE BILL NO. 440

1

BY REPRESENTATIVES BERAULT, DICKERSON, EDMONSTON, EGAN, AND WYBLE

PROPERTY/IMMOVABLE: Provides relative to association documents of planned communities

AN ACT

2	To amend and reenact R.S. 9:3198(3) and to enact R.S. 9:1123.109 and 1141.8(D), relative
3	to homeowners associations, property owners associations, condominium owners
4	associations and other planned communities; to provide for the disclosure of
5	association documents; and to provide for related matters.
6	Be it enacted by the Legislature of Louisiana:
7	Section 1. R.S. 9:3198(3) is hereby amended and reenacted and R.S. 9:1123.109 and
8	1141.8(D) are hereby enacted to read as follows:
9	§1123.109. Association documents; availability
10	The association shall provide copies of all association documents not publicly
11	recorded. The documents shall be provided to any owner or purchaser within 15 days
12	of the request at no cost of the owner or purchaser.
13	* * *
14	§1141.8. Community documents; force of law
15	* * *
16	D. The association shall provide copies of all association documents not
17	publicly recorded. The documents shall be provided to any owner or purchaser
18	within 15 days of the request at no cost of the owner or purchaser.
19	* * *

1 §3198. Duties of the seller; delivery of property disclosure document; termination 2 of real estate contract; information contained in document and inaccuracies; 3 required disclosure of information relative to homeowners' associations and 4 restrictive covenants; liability of seller 5 6 (3) The statement shall inform the purchaser that the information included 7 in the disclosure statement relative to of any homeowners' association, property 8 owners' association, condominium association, or any other planned community is 9 summary in nature and that restrictive covenants and building restrictions are a 10 matter of public record all recorded association documents shall be provided to the 11 purchaser no later than at the time of closing. The statement shall also include 12 notification to the purchaser that homeowners' association governing documents may 13 be requested from the seller and how to obtain documents regarding any restrictive 14 covenants and building restrictions governing the property to be purchased.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Abstract: Provides relative to the community documents of homeowner, condominium, and property owner associations and other planned community associations.

<u>Proposed law</u> (R.S. 9:3198(3)) requires in the property disclosure act for the purchaser to be made aware of any homeowners, property, or condominium association and requires that all association documents be provided to the purchaser no later than at the time of closing.

<u>Proposed law</u> (R.S. 9:1123.109) provides that a condominium association shall provide copies of all association documents not publicly recorded to any purchaser or owner within 15 days of the request at no cost.

<u>Proposed law</u> (R.S. 9:1141.8(D)) provides that a homeowners association shall provide copies of all association documents not publicly recorded to any purchaser or owner within 15 days of the request at no cost.

(Amends R.S. 9:3198(3); Adds R.S. 9:1123.109 and 1141.8(D))

Summary of Amendments Adopted by House

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

The Committee Amendments Proposed by <u>House Committee on Civil Law and Procedure</u> to the <u>original</u> bill:

- 1. Make technical changes.
- 2. Remove the requirement that homeowners associations, property owners associations, and condominium associations conduct an annual accounting of the books and provide a report outlining the fees and expenses for the previous fiscal year.
- 3. Remove the requirement that every homeowners association, property owners association, and condominium association with dues exceeding \$500,000 annually shall have an audit of the books conducts every three years by a third-party auditor in addition to the annual accounting.
- 4. Add "planned community" to the list of associations that the purchaser of a home is made aware of in the property disclosure statement in order to provide the purchaser the association documents prior to closing.