### HB 3059 A STAFF MEASURE SUMMARY

# **House Committee On Judiciary**

**Action Date:** 04/04/17

Action: Do pass with amendments. (Printed A-Eng.)

Vote: 10-0-1-0

Yeas: 10 - Barker, Greenlick, Lininger, Olson, Post, Sanchez, Sprenger, Stark, Vial, Williamson

Exc: 1 - Gorsek
Fiscal: No fiscal impact
Revenue: No revenue impact
Prepared By: Josh Nasbe, Counsel

# WHAT THE MEASURE DOES:

Provides that special declarant right, under condominium or homeowners association declaration, is extinguished upon transfer.

#### **ISSUES DISCUSSED:**

- Declaration is a master deed, describing rights and liabilities of property owners in homeowners or condominium association
- Declarant has the ability to retain special rights when creating association
- Factual scenario where declarant sells property subject to association bylaws, later buys property subject to association bylaws and attempts to revive special declarant rights

# **EFFECT OF AMENDMENT:**

Provides that special declarant right, under homeowners association declaration, is extinguished upon transfer.

# **BACKGROUND:**

A person or entity that creates a homeowners or condominium association is known as a declarant. The declarant has the ability to create special declarant rights that are in addition to the regular rights of property owners subject to the association bylaws. These special declarant rights may include weighted or special voting rights or the ability to add or withdraw property from the association. House Bill 3059-A provides that when these special declarant rights are transferred, they cannot be automatically revived, instead requiring a subsequent purchase before they may be exercised by the transferor.

Carrier: Rep. Vial