

Appendix A. Legislation Included in This Study

HOUSE RESOLUTION 170

By Moore

A RESOLUTION to direct the Tennessee Advisory Committee on Intergovernmental Relations to study the responsibility of homeowners associations to insure their obligations and homeowners associations' rules and regulations.

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE ONE HUNDRED SEVENTH GENERAL ASSEMBLY, that the Tennessee Advisory Committee on Intergovernmental Relations (TACIR) is directed to perform a study relative to homeowners associations that shall include, but not be limited to, rules and regulations adopted by homeowners associations that control homeowners' use and enjoyment of their real property, state and local regulations covering homeowners associations, and the responsibility of homeowners associations to insure their obligations against the event of damages, including repair of association owned property.

BE IT FURTHER RESOLVED, that as part of the study TACIR is also directed to conduct a survey of neighboring states as to statutes, rules and regulations that require homeowners associations to maintain insurance coverage to discharge contractual obligations in the event of damage as well as other statutes that regulate the adoption of homeowners associations' rules and regulations.

BE IT FURTHER RESOLVED, that TACIR is also requested to recommend solutions that would enable individual homeowners, upon request, to obtain at regular intervals from their respective homeowners associations a report citing: (1) a certificate or memoranda of insurance; (2) proof of policy coverage available; and (3) names, addresses and phone numbers for the homeowners association's designated insurance carriers and banking institutions holding funds in escrow.

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BE IT FURTHER RESOLVED, that in conducting the study TACIR shall hold public hearings and receive written and oral testimony from individual members of homeowners associations, official representatives of homeowners associations, and any other interested parties.

BE IT FURTHER RESOLVED, that it is the legislative intent that this study be conducted from TACIR's existing resources.

BE IT FURTHER RESOLVED, that all appropriate state departments and agencies shall provide assistance to TACIR.

BE IT FURTHER RESOLVED, that TACIR is requested upon the conclusion of its study to report its findings and recommendations, including any proposed legislation, to the members of the 108th General Assembly.

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SENATE BILL 2110
By Bowling

HOUSE BILL 2070

By Farmer

AN ACT to amend Tennessee Code Annotated, Title 5;
Title 6; Title 7; Title 13; Title 48 and Title 66,
relative to homeowners associations.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 66-5-213(b), is amended by adding the following language to the end of the subsection:

The owner of the residential property shall also, prior to entering a contract with a buyer, disclose in writing whether the PUD is complete, and if the PUD is not complete, the date in which all property located in a PUD will be developed.

SECTION 2. This act shall take effect July 1, 2014, the public welfare requiring it.

SENATE BILL 2198

By Johnson

AN ACT to amend Tennessee Code Annotated, Title 20;
Title 25; Title 48 and Title 66, relative to
homeowners associations.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 66, Chapter 27, is amended by adding
the following language as a new part:

66-27-601.

As used in this part, "homeowners' association" means an incorporated
or unincorporated entity upon which responsibilities are imposed, which includes
managing, maintaining, or improving the property, and of which the voting
membership is comprised of persons owning separate lots or units who are
required to pay dues to the association for the purposes delineated in the
governing documents of the association.

66-27-602.

(a) A homeowners' association shall not prohibit any person from parking
on any public street located within any county or municipality of this state unless
expressly authorized by the legislative body of the county or municipality.

(b) Except as provided by subsection (a), any provision of a governing
document of a homeowners' association that restricts parking on any public
street is declared null and void. Unless expressly authorized by the legislative
body of the county or municipality, any fees or fines imposed by any
homeowners' association for any public street parking violation shall be
unenforceable and of no legal effect in a court of law.

(c)

(1) A homeowners' association shall not penalize or fine any persons in an amount exceeding the required monthly amount of dues owed by persons owning separate lots or units within the respective homeowners' association.

(2) Any provision of a governing document of a homeowners' association that penalizes or fines persons in an amount exceeding the required monthly amount of monthly dues owed by persons owning separate lots or units with the respective homeowners' association is declared null and void. Any penalty or fine imposed in violation of this section shall be unenforceable and of no legal effect in a court of law.

66-27-603.

(a) A homeowners' association shall not attach an assessment lien on any real property in this state unless the homeowners' association or its designee demonstrates to a court by clear and convincing evidence that a person owning a separate lot or unit within the homeowners' association is past due on required monthly payments owed to the homeowners' association.

(b) Any provision of a governing document that allows for the automatic creation and attachment of any lien to real property located within a homeowners' association for the nonpayment of required dues is declared null and void.

66-27-604.

Unless expressly authorized by the legislative body of the county or municipality, no governing document of a homeowners' association shall limit or prohibit, or be construed to limit or prohibit, the display of any political sign on privately owned property within the boundaries of the respective homeowners' association. For purposes of this section, "political sign" means a sign advocating for or against a political candidate or a political issue.

SECTION 2. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it, and unless otherwise prohibited by the United States or Tennessee constitution, it is the intent of the general assembly that all applicable provisions be given retroactive application.

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