



# House of Representatives

General Assembly

**File No. 7**

January Session, 2015

House Bill No. 5588

*House of Representatives, February 20, 2015*

The Committee on Insurance and Real Estate reported through REP. MEGNA of the 97th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

***AN ACT CONCERNING THE LIABILITY OF UNIT OWNERS FOR CERTAIN COSTS UNDER THE CONDOMINIUM ACT AND THE COMMON INTEREST OWNERSHIP ACT.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (e) of section 47-257 of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective*  
3 *October 1, 2015*):

4 (e) If any common expense is caused by the wilful misconduct,  
5 failure to comply with a written maintenance standard promulgated  
6 by the association or gross negligence of any unit owner, [or tenant or  
7 a guest or invitee of a unit owner or tenant,] the association may, after  
8 notice and hearing, assess the portion of that common expense in  
9 excess of any insurance proceeds received by the association under its  
10 insurance policy, whether that portion results from the application of a  
11 deductible or otherwise, exclusively against that owner's unit.

12 Sec. 2. Subsection (d) of section 47-76 of the general statutes is

13 repealed and the following is substituted in lieu thereof (*Effective*  
14 *October 1, 2015*):

15 (d) To the extent that the condominium instruments expressly so  
16 provide, any other costs incurred by the association caused by the  
17 negligence or wilful misconduct of any unit owner [or his licensee or  
18 invitees,] or for a specific service rendered to a unit owner [which] that  
19 is different from services regularly rendered to all unit owners, shall be  
20 specially assessed against said unit owner in accordance with such  
21 reasonable provisions as the condominium instruments may make for  
22 such cases.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2015</i>	47-257(e)
Sec. 2	<i>October 1, 2015</i>	47-76(d)

**INS**      *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

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**OFA Fiscal Note**

**State Impact:** None

**Municipal Impact:** None

**Explanation**

The bill, which makes changes to condominium and other common interest community rules, does not result in a fiscal impact to the state or municipalities as these are private entities.

**The Out Years**

**State Impact:** None

**Municipal Impact:** None

**OLR Bill Analysis****HB 5588*****AN ACT CONCERNING THE LIABILITY OF UNIT OWNERS FOR CERTAIN COSTS UNDER THE CONDOMINIUM ACT AND THE COMMON INTEREST OWNERSHIP ACT.*****SUMMARY:**

This bill reduces the financial liability of unit owners in condominiums and other common interest communities for certain expenses caused by guests, tenants, or invitees.

It eliminates the authorization for a community association governed by the Common Interest Ownership Act (CIOA) to, after notice and hearing, assess certain common expenses exclusively against the unit owner that his or her tenant, guest, or invitee causes. Such common expenses must be (1) caused by willful misconduct or a failure to comply with written maintenance standards adopted by the association and (2) greater than any insurance proceeds the association received.

The bill makes a similar change for pre-1984 condominiums governed by the Condominium Act (see BACKGROUND). Under current law, to the extent condominium instruments provide, the association must assess expenses caused by the negligence or willful misconduct of the owner's licensees or invitees specifically against the unit owner. The bill eliminates this requirement.

EFFECTIVE DATE: October 1, 2015

**BACKGROUND*****CIOA and the Condominium Act***

CIOA governs the creation, alteration, management, termination,

and sale of condominiums and other common interest communities formed in Connecticut on and after January 1, 1984 (CGS § 47-200 et seq.). Certain CIOA provisions (including the CIOA provisions that this bill amends) also apply to common interest communities created in Connecticut before January 1, 1984 but do not invalidate existing provisions in the communities' governing instruments. Common interest communities created before then can amend their governing instruments to conform to portions of CIOA that do not automatically apply (CGS §§ 47-214, 47-216, 47-218).

The Condominium Act (CGS §§ 47-68a to 47-90c) governs condominiums created from 1977 through 1983, except where CIOA applies.

**COMMITTEE ACTION**

Insurance and Real Estate Committee

Joint Favorable

Yea 17    Nay 1    (02/10/2015)