
OLR Bill Analysis

sSB 1013

AN ACT CONCERNING COMMON INTEREST OWNERSHIP COMMUNITIES.

SUMMARY

This bill makes various changes to the Common Interest Ownership Act (CIOA, see BACKGROUND) and addresses related issues.

It requires a condominium association to have at least 50% owner-occupied units unless the association adopts a rule allowing for less than 50% to be owner occupied. Also, it prohibits a person (e.g., an individual or entity) from owning more than 25% of all units in a common interest community.

The bill correspondingly redefines the term “dealer” in CIOA as a person who owns at least six units or up to 25% of all units in a common interest community, rather than at least 50% of the units as under current law. By law, dealers must issue public offering statements when offering units for sale (CGS §§ 47-263 & 47-270).

Lastly, the bill requires the housing commissioner to report to the Insurance and Real Estate Committee by February 1, 2024, on common interest communities’ reserve funding.

EFFECTIVE DATE: October 1, 2023, except the provision requiring the housing commissioner to report on reserve funding is effective upon passage.

BACKGROUND

Common Interest Ownership Act

CIOA governs condominiums and other common interest communities formed in Connecticut on and after January 1, 1984 (CGS § 47-200 et seq.). Certain CIOA provisions (including those amended by

this bill) also apply to common interest communities created in Connecticut before January 1, 1984, but do not invalidate existing provisions of the communities' governing instruments. Common interest communities created before that date can amend their governing instruments to conform to portions of CIOA that do not automatically apply (CGS §§ 47-214, -216 & -218).

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Substitute

Yea 8 Nay 4 (03/14/2023)