
OLR Bill Analysis

sSB 1072

AN ACT CONCERNING REVISIONS TO THE COMMON INTEREST OWNERSHIP ACT.

SUMMARY

This bill makes various revisions to the Common Interest Ownership Act (CIOA) (see BACKGROUND).

It requires common interest community associations to keep confidential any unredacted records that identify how a unit owner voted, including (1) paper or electronic ballots and (2) proxy forms. Current law gives unit owners access to voting records (regardless of whether they are redacted). By law, associations must keep voting records for at least one year after the vote.

The bill increases the fee that unit owners must pay their association for the required resale certificate when selling their unit (see BACKGROUND). The bill sets the fee at \$185; current law allows associations to set the fee, up to \$125. (By law, the association can also charge certain associated costs.) The bill also provides for potential increases in the \$185 fee on each July 1, if there is at least a 10% increase over a specified reference base tied to inflation (the U.S. Bureau of Labor Statistics' Consumer Price Index for Urban Wage Earners and Clerical Workers: U.S. City Average).

Existing law allows strictly nonresidential common interest communities to vary or waive the law's insurance requirements (see BACKGROUND). The bill additionally allows residential common interest communities to vary or waive these requirements for buildings that are restricted to nonresidential use.

Current law allows unit owners to vote at meetings either in person or electronically. The bill specifies that owners may vote, by electronic

or paper ballot, at meetings (whether held in-person, remotely, or a hybrid), and also may vote before the meeting or during any continuation of it. As under current law, these provisions apply unless the association's declaration or bylaws prohibit or limit voting in this way.

EFFECTIVE DATE: July 1, 2023

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 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).

CIOA Resale Certificate Requirements

CIOA generally requires residential unit owners, when selling their units, to give the purchaser a resale certificate that includes specified information about the association, such as its current budget, assessments, reserves for capital expenditures, and any occupancy or leasing restrictions (CGS § 47-270).

CIOA Insurance Requirements

Under CIOA, residential common interest communities generally must maintain the following types of insurance:

1. property insurance for the (a) common elements, and (b) units in buildings with three or more units divided by horizontal or vertical boundaries (i.e., stacked or side-by-side units) including owner-installed improvements under certain circumstances;
2. liability insurance relating to the common elements (and the units, for cooperatives);

3. fidelity insurance; and
4. flood insurance if the property is in a flood hazard area and the unit owners vote to require it (CGS § 47-255).

COMMITTEE ACTION

Judiciary Committee

Joint Favorable

Yea 36 Nay 1 (03/27/2023)