



General Assembly

**Substitute Bill No. 1013**

January Session, 2023



**AN ACT CONCERNING COMMON INTEREST OWNERSHIP COMMUNITIES.**

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

1 Section 1. (*Effective from passage*) Not later than February 1, 2024, the  
2 Commissioner of Housing shall prepare and submit a report, in  
3 accordance with the provisions of section 11-4a of the general statutes,  
4 to the joint standing committee of the General Assembly having  
5 cognizance of matters relating to real estate. Such report shall include  
6 an assessment of the funding of reserves involving any common  
7 interest community in this state. As used in this section, "common  
8 interest community" has the same meaning as provided in section 47-  
9 202 of the general statutes, as amended by this act.

10 Sec. 2. Section 47-261b of the general statutes is repealed and the  
11 following is substituted in lieu thereof (*Effective October 1, 2023*):

12 (a) At least ten days before adopting, amending or repealing any  
13 rule, the executive board shall give all unit owners notice of (1) The  
14 executive board's intention to adopt, amend or repeal a rule and shall  
15 include with such notice the text of the proposed rule or amendment,  
16 or the text of the rule proposed to be repealed; and (2) the date on  
17 which the executive board will act on the proposed rule, amendment  
18 or repeal after considering comments from unit owners.

19 (b) Following adoption, amendment or repeal of a rule, the  
20 association shall give all unit owners notice of its action and include  
21 with such notice a copy of any new or amended rule.

22 (c) Subject to the provisions of the declaration, an association may  
23 adopt rules to establish and enforce construction and design criteria  
24 and aesthetic standards. If an association adopts such rules, the  
25 association shall adopt procedures for enforcement of those rules and  
26 for approval of construction applications, including a reasonable time  
27 within which the association shall act after an application is submitted  
28 and the consequences of its failure to act.

29 (d) A rule regulating display of the flag of the United States shall be  
30 consistent with federal law. In addition, the association may not  
31 prohibit display, on a unit or on a limited common element adjoining a  
32 unit, of the flag of this state, or signs regarding candidates for public or  
33 association office or ballot questions, but the association may adopt  
34 rules governing the time, place, size, number and manner of those  
35 displays.

36 (e) Unit owners may peacefully assemble on the common elements  
37 to consider matters related to the common interest community, but the  
38 association may adopt rules governing the time, place and manner of  
39 those assemblies.

40 (f) An association may adopt rules that affect the use of or behavior  
41 in units that may be used for residential purposes, only to:

42 (1) Implement a provision of the declaration;

43 (2) Regulate any behavior in or occupancy of a unit which violates  
44 the declaration or adversely affects the use and enjoyment of other  
45 units or the common elements by other unit owners; or

46 (3) Restrict the leasing of residential units to the extent those rules  
47 are reasonably designed to meet underwriting requirements of  
48 institutional lenders that regularly make loans secured by first

49 mortgages on units in common interest communities or regularly  
50 purchase those mortgages, provided no such restriction shall be  
51 enforceable unless notice thereof is recorded on the land records of  
52 each town in which any part of the common interest community is  
53 located. Such notice shall be indexed by the town clerk in the grantor  
54 index of such land records in the name of the association.

55 (g) In the case of a common interest community that is not a  
56 condominium or a cooperative, an association may not adopt or  
57 enforce any rules that would have the effect of prohibiting any unit  
58 owner from installing a solar power generating system on the roof of  
59 such owner's unit, provided such roof is not shared with any other  
60 unit owner. An association may adopt rules governing (1) the size and  
61 manner of affixing, installing or removing a solar power generating  
62 system; (2) the unit owner's responsibilities for periodic upkeep and  
63 maintenance of such solar power generating system; and (3) a  
64 prohibition on any unit owner installing a solar power generating  
65 system upon any common elements of the association.

66 (h) No condominium association shall consist of less than fifty per  
67 cent owner-occupied units, unless any such condominium association  
68 adopts a rule that allows less than fifty per cent of such units to be  
69 owner-occupied.

70 (i) No person shall own more than twenty-five per cent of all units  
71 in a common interest community.

72 [(h)] (j) An association's internal business operating procedures  
73 need not be adopted as rules.

74 [(i)] (k) Each rule of the association shall be reasonable.

75 Sec. 3. Subdivision (13) of section 47-202 of the general statutes is  
76 repealed and the following is substituted in lieu thereof (*Effective*  
77 *October 1, 2023*):

78 (13) "Dealer" means a person who owns either six or more units, or

79 [fifty] up to, but not exceeding, twenty-five per cent or more of all the  
80 units, in a common interest community.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>October 1, 2023</i>	47-261b
Sec. 3	<i>October 1, 2023</i>	47-202(13)

**INS**      *Joint Favorable Subst.*