Senate Commerce Committee

Aaron Jones 271-2609

HB 1523-FN, relative to disclosure requirements for condominium associations.

Hearing Date: March 31, 2026

Time Opened: 10:12 a.m. **Time Closed**: 10:30 a.m.

Members of the Committee Present: Senators Innis, Ricciardi, Murphy, McGough, Fenton and Reardon

Members of the Committee Absent : None

Bill Analysis: This bill establishes disclosure requirements for homeowners' associations.

Sponsors:
Rep. Alexander Jr. Rep. Hunt Sen. Reardon

Who supports the bill: Representative Joe Alexander, Senator Tara Reardon, Angela O'Neill, Nathaniel Blair, Pamela Harders

Who opposes the bill: Cory Stone

Who is neutral on the bill: Gary Daddario (CAI), Pam Okonak (CAI)

Summary of testimony presented in support:

Representative Joe Alexander

- This bill was about homeowners' associations (HOAs), not condominium associations.
- Currently, there are no laws around transparency in HOAs.
- Representative Alexander said this bill mirrored some of the most critical transparency requirements in the condominium law. Added requirements would include shareholder responsibility, personnel salary, and what money is spent on.
- Representative Alexander said the House Housing Committee made changes to Page 3, Section 5, related to conflicts of interest. If a board is contracting with a lawn care company, for example, a board member must disclose if they have an interest in it.
- At the request of various stakeholders, the effective date was moved to give HOAs more time to gather information.

- Representative Alexander believed this bill was a good start, and it added necessary protections in place for homeowners.

Angela O'Neill

- Ms. O'Neill said transparency was important because their homes are their investments.
- Residents would like to know who is paid, and what is paid for their roads and landscaping to be managed. When residents ask for this information, Ms. O'Neill said they are denied.
- In her community, Ms. O'Neill said private hearings are held and what was discussed or decided at them is not shared.
- **Senator Reardon** asked if they elect a board of directors in her community.
  - **Ms. O'Neill** said they do.

Summary of testimony presented in opposition: None

Neutral Information Presented:

Gary Daddario, on behalf of Community Associations Institute

- In a perfect world, Attorney Daddario said an HOA statute would be like the Condominium Act and the Timeshare Act.
- On Page 2, Line 1, an association would need to provide records that are being requested within 5 days. In contrast, condominium associations are given 15 days. Attorney Daddario was concerned that the short window in this bill set the stage for failure. If a records request is made when an individual is on a one-week vacation, for example, a violation would be likely to occur.
- Attorney Daddario said this bill did not describe the process for meeting minutes. Under the Condominium Act, a board must create and circulate minutes before they are approved. He recommended that language be included for minutes to be available either 15 days after they have been approved, or 60 days from the time of the meeting, whichever occurs first.
- Page 2, Line 29 says a board may hold an executive session only during a regular or special meeting. Attorney Daddario said this has been problematic because boards will schedule a meeting, the community will arrive, and the board will enter executive session. Instead of calling a regular meeting, he recommended allowing them to call an executive session only.
- Page 2, Line 30, says no final vote or action shall be taken during an executive session. Attorney Daddario said this destroyed the privacy of executive sessions if a board must come out of it to take a vote. If information gets out too early, it can be problematic. If subject matter is appropriate for an executive session, and a board has it consistent with the law, he said they should be able to make decisions on that subject matter at that session.

- Under the Condominium Act, a contract under negotiation is not a public record. Once the terms have been negotiated and signed, the completed document can be seen by everyone.
- **Senator Ricciardi** said as a former town councilor, it was not an unusual situation to have a meeting, solicit public comments, and go into a non-public session.
  - **Attorney Daddario** said he did not think boards should be prohibited from doing it that way. It frustrates everyone if a meeting is called, and the board immediately enters into an executive session. A board should be able to discuss issues that are delicate.
- **Senator Ricciardi** said when a meeting has been posted, it could say an executive session may follow, so no one is shocked.
  - **Attorney Daddario** said they could do that. When executive sessions are scheduled, they should be part of the public record for the association.
- **Senator Reardon** asked if there were other states with a process in their statutes for HOAs.
  - **Attorney Daddario** believed there were. He practices in a state that has statutes for HOAs, timeshares, and cooperatives. When there is a form of property ownership, there is often a statute to go along with it.

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Date Hearing Report completed: April 3, 2026