



Colorado
Legislative
Council
Staff

HB16-1149

REVISED
FISCAL NOTE

(replaces fiscal note dated February 16, 2016)

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-0875
Prime Sponsor(s): Rep. Melton
Sen. Newell

Date: March 11, 2016
Bill Status: Senate Local Government
Fiscal Analyst: Anna Gerstle (303-866-4375)

BILL TOPIC: REMOVE BUDGET REPORTING EXEMPTION HOAS PREDATE ACT

Summary of Legislation

Under current law, common interest communities (referred to in the residential context as homeowner's associations, or HOAs) established prior to the 1992 enactment of the Colorado Common Interest Ownership Act (CCOIA) are exempt from certain budget reporting provisions. The **reengrossed** bill removes this exemption and requires executive boards of HOAs that predate CCOIA to:

- provide a summary of a proposed budget to each unit owner, either by mail or by posting the proposed budget on their website;
- hold a meeting for unit owners to consider the proposed budget; and
- continue using the most recent approved budget if there is a veto of the proposed budget by a majority of unit owners.

The bill also creates a new exemption from the budget reporting provisions for voluntary HOAs that do not impose mandatory fees.

Assessment

The bill is assessed as having no fiscal impact. HOAs are private entities and, therefore, there is no revenue or expenditure impact on any state agency or local government.

Effective Date

The bill takes effect July 1, 2018, if no referendum petition is filed, and applies to budgets adopted by an HOA's executive board on or after that date.

State and Local Government Contacts

Judicial

Law

Regulatory Agencies

Secretary of State

Research Note Available

An LCS Research Note for HB16-1149 is available online and through the iLegislate app. Research notes provide additional policy and background information about the bill and summarize action taken by the General Assembly concerning the bill.