

Department of Planning and Budget 2013 Fiscal Impact Statement

1. Bill Number: HB2275

House of Origin	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input checked="" type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Peace, C. K.

3. Committee: General Laws

4. Title: Condominium Act; expands respective declarant control period

5. Summary: As substituted, this bill indicates an emergency exists and that the act is in force from its passage. A disclosure statement must be developed by the Common Interest Community Board (Board) within 30 days of the effective date of this act.

This substitute bill states that, at the request of the declarant, time limits on the initial declarant control period may be extended for a period not to exceed 15 years from the settlement of the first unit to be sold in any portion of the condominium or after units to which three-fourths of the undivided interests in the common elements appertain have been conveyed, whichever occurs first, provided that (i) a special meeting is held prior to the expiration of the initial period of declarant control; (ii) at such special meeting, the extension of such time limits is approved by a two-thirds affirmative vote of the unit owners other than the declarant; and (iii) at such special meeting, there is an election of a warranty review committee consisting of no fewer than three persons unaffiliated with the declarant. The bill contains provisions regarding the warranty review committee and the functions of which the committee is tasked. The bill also provides that for any condominium existing on July 1, 2013, the condominium instrument for such condominium may be amended in the manner prescribed in the relevant condominium instrument or by statute to conform to the provisions of the bill.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary. See #8.

8. Fiscal Implications: This bill increases the administrative responsibilities of the Department of Professional and Occupational Regulation (DPOR) by requiring the Board to develop a disclosure statement within 30 days of the bill's emergency enactment. DPOR and the Board expect two additional, unscheduled board meetings will be conducted to meet the disclosure statement development deadline. The travel and other related costs for the board meetings are expected to be \$4,059 in FY 2013. These costs can be absorbed within the agency's current resources.

No other fiscal impact is expected as a result of this bill.

9. Specific Agency or Political Subdivisions Affected: Department of Professional and Occupational Regulation.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 2/13/13

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