## HOUSE RESEARCH =

## Bill Summary =

FILE NUMBER: H.F. 1254 DATE: November 28, 2011

**Version:** Delete everything amendment (H1254DE1)

**Authors:** Bills and others

**Subject:** Real estate; common interest ownership and similar communities

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## Overview

This bill makes a variety of changes in state law relating to common interest ownership communities and other residential communities. Section 1 applies to all types of residential property, section 2 applies to residential associations in which real estate is subject to some level of control by an association of property owners, and section 3 to applies only to common interest ownership communities. The bill does not state effective dates, so all sections would be subject to the default effective date of August 1, 2012.

- **Exceptions.** Prohibits limiting the installation of a flagpole on property to which the person who wishes to display the flag has exclusive use, but permits limits on the size and illumination of the flag.
- 2 Limits on certain residential property rights prohibited; signs.
  - **Subd. 1. Political campaign signs.** (a) Provides that anything in a homeowners association document that limits the rights of a residential property owner to display a political campaign sign (on that property), from 46 days before a state primary election in a state general election year until ten days after the state general election, is void and unenforceable.
  - (b) Defines "homeowners association document" as the documents creating and governing a common interest community or other residential community.
  - **Subd. 2. Exceptions.** (a) Says that this section does not prohibit limits on political signage that are narrowly tailored to protect health or safety.
  - (b) Says that this section does not prohibit:
  - (1) restrictions on size of a sign, if limited to a size usually used on residential property;
  - (2) restricting signs to a portion of the property to which the owner has exclusive use; and
  - (3) restrictions on illuminating the sign.
  - (c) Says this section does not prohibit requiring that a sign be displayed in a legal manner, that

it be in good condition, and not affixed in a permanent manner to property maintained by another person or in a way that causes significant damage to another person's property. Makes a person who causes damage liable for repair costs.

- **Subd. 3. Recovery of attorney fees.** Permits an owner of property who is denied a right provided in this section to recover reasonable attorney fees if the owner prevails in enforcing the right. Also permits the same for a person harmed by an owner's unpermitted display of a sign.
- **Subd. 4. Applicability.** Makes this section apply to all limits on sign display prohibited by this section, regardless of when the homeowner's association document became effective.
- Lien for assessments. Changes the legal status of fines an association imposes against a unit owner for a violation of the association's declaration, bylaws, rules, or regulations. The change is that the fines would not be liens against the unit owner's unit and would not be collectible as assessments, but the association could attempt to collect the fine by suing the unit owner. (Current law allows six months worth of CIC assessments to slip in as a lien ahead of an already-existing first mortgage, and this change would eliminate that for assessments based on fines for the violations referenced in this section.)