HLS 11RS-920 REENGROSSED

Regular Session, 2011

HOUSE BILL NO. 344

1

BY REPRESENTATIVE HUTTER

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

CONDOMINIUMS: Establishes a ten-day grace period for paying condominium assessments

AN ACT

2	To amend and reenact R.S. 9:1123.102(11), relative to condominiums; to require a ten-day
3	grace period for paying condominium assessments; to provide for limitations on
4	charges for later payment of assessments; to require unit owners' association to
5	provide written or electronic notice; and to provide for related matters.
6	Be it enacted by the Legislature of Louisiana:
7	Section 1. R.S. 9:1123.102(11) is hereby amended and reenacted to read as follows:
8	§1123.102. Powers of unit owners' association
9	Subject to the provisions of the declaration, the association, even if
10	unincorporated, may:
11	* * *
12	(11) Impose charges for later payment of assessments and, after notice and
13	an opportunity to be heard, levy reasonable fines for violations of the declaration,
14	bylaws, and rules and regulations of the association and, when the violation is a
15	failure to pay for services, interrupt those services until the violation has ceased. No
16	charge for later payment of assessments shall be imposed if the assessment is paid
17	within ten days of the due date. Furthermore, no such charge shall exceed thirty
18	percent of the amount of the assessment. The unit owners' association shall provide
19	to each unit owner written or electronic notice detailing all of the following:
20	(a) The amount of the assessment due by the unit owner.
21	(b) The due date of the assessment due by the unit owner.

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1 (c) Notice that the assessment is due within ten days of the due date.

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3 Section 2. This Act shall become effective upon signature by the governor or, if not

4 signed by the governor, upon expiration of the time for bills to become law without signature

5 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If

6 vetoed by the governor and subsequently approved by the legislature, this Act shall become

7 effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Abstract: Establishes a 10-day grace period for paying condominium assessments.

<u>Present law</u> authorizes a condominium unit owners' association to impose charges for later payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the declaration, bylaws, and rules and regulations of the association and, when the violation is a failure to pay for services, interrupt those services until the violation has ceased.

<u>Proposed law</u> retains <u>present law</u> but provides that no charge for later payment of assessments shall be imposed if the assessment is paid within 10 days of the due date.

<u>Proposed law</u> provides that charges for assessment that are paid later cannot exceed 30% of the amount of the assessment.

<u>Proposed law</u> requires unit owners' associations to provide to each unit owner written or electronic notice detailing:

- (1) The amount of the assessment due by the unit owner.
- (2) The due date of the assessment due by the unit owner.
- (3) Notice that the assessment is due within 10 days of the due date.

Effective upon signature by governor or lapse of time for gubernatorial action.

(Amends R.S. 9:1123.102(11))

Summary of Amendments Adopted by House

Committee Amendments Proposed by <u>House Committee on Commerce</u> to the <u>original</u> bill.

1. Added requirement that unit owners' associations provide to each unit owner written or electronic notice detailing the amount of the assessment due by the

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unit owner, the due date of the assessment due by the unit owner, and notice that the assessment is due within 10 days of the due date.

House Floor Amendments to the engrossed bill.

- 1. Made technical changes.
- 2. Limited charges for late paid assessments to no more than 30% of the amount of the assessment.