

## SB0117S01 compared with SB0117

~~{deleted text}~~ shows text that was in SB0117 but was deleted in SB0117S01.

inserted text shows text that was not in SB0117 but was inserted into SB0117S01.

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Senator Stephen H. Urquhart proposes the following substitute bill:

### COMMUNITY ASSOCIATION ACT AMENDMENTS

2011 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Stephen H. Urquhart**

House Sponsor: \_\_\_\_\_

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#### LONG TITLE

##### General Description:

This bill modifies the Community Association Act.

##### Highlighted Provisions:

This bill:

- ▶ modifies a provision prohibiting a homeowner association's governing documents from requiring an amendment to be approved by more than 67% of the voting interests; and
- ▶ ~~{requires previously adopted}~~ prohibits the vote required to amend governing documents to ~~{be amended to be consistent with that}~~ exceed 67%, regardless of a contrary provision in the governing documents.

##### Money Appropriated in this Bill:

None

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### Other Special Clauses:

None

### Utah Code Sections Affected:

AMENDS:

**57-8a-104**, as enacted by Laws of Utah 2007, Chapter 223

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*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section **57-8a-104** is amended to read:

**57-8a-104. Limitation on requirements for amending governing documents --**

#### **Limitation on contracts.**

(1) As used in this section, "period of administrative control" means the period during which the person who filed the association's governing documents or a successor in interest retains authority to:

- (a) appoint or remove members of the association's board of directors; or
- (b) exercise power or authority assigned to the association under its governing documents.

~~[(2)(a) When the period of administrative control ends, the governing]~~

~~(2)(a)(i) Governing documents may not require that an amendment to the governing documents adopted after the period of administrative control be approved by more than 67% of the voting interests.~~

~~(ii) The {person or body with authority} vote required to {amend} adopt an amendment to governing documents {adopted before May 10, 2011, that do not comply with Subsection (2)(a)(i) shall, no later than August 15, 2011, amend} may not be greater than 67% of the voting interests, notwithstanding a provision of the governing documents {so that they comply with Subsection (2)(a)(i)} requiring a greater percentage.~~

(b) Subsection (2)(a) does not apply to an amendment affecting only:

- (i) lot boundaries; or
- (ii) members' voting rights.

(3) (a) A contract for services such as garbage collection, maintenance, lawn care, or snow removal executed on behalf of the association during a period of administrative control is binding beyond the period of administrative control unless terminated by the board of directors

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after the period of administrative control ends.

(b) Subsection (3)(a) does not apply to golf course and amenity management, utilities, cable services, and other similar services that require an investment of infrastructure or capital.

(4) Voting interests under Subsections (2) and (3) are calculated in the manner required by the governing documents.

(5) Nothing in this section affects any other rights reserved by the person who filed the association's original governing documents or a successor in interest.

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**Legislative Review Note**

~~as of 1-5-11 6:41 AM~~

~~Office of Legislative Research and General Counsel~~