

HB 2270 -- MISSOURI HOMEOWNERS' ASSOCIATION ACT

SPONSOR: Oehlerking

This bill establishes the "Missouri Homeowners' Association Act".

In its main provisions, the bill:

- (1) Defines certain terms to be used within the Act;
- (2) Applies to all planned communities occurring on or after January 1, 2025;
- (3) Clarifies that it should not be construed to invalidate existing provisions of declarations, bylaws, articles of incorporation, or plats of planned communities;
- (4) Specifies that it should not be construed to impact, hinder, impair, alter, or affect the rights of a declarant to administer, develop, construct, or convey real property subject to the declaration;
- (5) Specifies that, except as provided in the Act, the effect of the sections cannot be varied by agreements, and rights conferred by the Act cannot be waived;
- (6) Specifies that each lot is a separate parcel of real property and will be separately assessed and taxed. The personal property of an association is not subject to taxation under Chapter 137, nor can the common ground be subject to separate assessment or taxation;
- (7) Specifies when the governing documents and the declaration can be amended, by whom, for what purposes, and by what percentage votes;
- (8) Describes how the owners' association should be organized, under what chapter of law, by whom, how it should be managed if not incorporated, transition of control of the association, election of a board of directors, quorum requirements, how to operate without a quorum, and how to operate without a board of directors;
- (9) Sets out how a proposed budget is adopted, how a budget is presented to the lot owners, including any reserves and how they are calculated, when, where, and how a budget ratification meeting must be held, and what occurs if the proposed budget is not adopted;

- (10) Specifies that a maximum rate of assessment or a limitation of the amount of an assessment may be increased is declared void as contrary to public policy;
- (11) Details when and why an association can recover attorney's fees from a lot owner;
- (12) Specifies that an association is not limited on the number of small claims petitions it may file;
- (13) Establishes what happens if a lot is occupied by a tenant and the lot owner is delinquent in the payment of assessments;
- (14) Requires that an action to challenge an assessment must be brought within 60 days from when it is due;
- (15) Specifies what the board can do if an emergency assessment is needed because of the health or safety of lot owners;
- (16) Requires that if the declaration compels binding arbitration as provided in Sections 435.350 to 435.470, RSMo the disclosure requirement of Section 435.460 must be an exhibit to the declaration; and
- (17) Provides when disputes between lot owners regarding a matter related to the planned community may be required to be submitted to nonbinding dispute resolution as a prerequisite to commencement of a judicial proceeding.