

Senate Bill 178

By: Senators Martin of the 9th, Stone of the 23rd, Jordan of the 6th and Parent of the 42nd

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 3 of Title 44 of the Official Code of Georgia Annotated, relating to
2 regulation of specialized land transactions, so as to provide for statements of account under
3 the "Georgia Condominium Act" and the "Georgia Property Owners' Association Act" for
4 fees owed to condominium associations and property owners' associations, respectively, to
5 facilitate certain property transactions; to provide for information required in a statement of
6 account; to provide for a statutory form for use as a statement of account; to provide for the
7 manner of providing such statements; to provide for fees for certain services; to provide for
8 related matters; to repeal conflicting laws; and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10 style="text-align:center">**SECTION 1.**

11 Chapter 3 of Title 44 of the Official Code of Georgia Annotated, relating to regulation of
12 specialized land transactions, is amended by revising subsection (d) of Code
13 Section 44-3-109, relating to lien for assessments, personal obligation of unit owner, notice
14 and foreclosure, lapse, right to statement of assessments, and effect of failure to furnish
15 statement, as follows:

16 ~~"(d)(1) Any unit owner, mortgagee of a unit, person having executed a contract for the~~
17 ~~purchase of a condominium unit, or lender considering the loan of funds to be secured by~~
18 ~~a condominium unit shall be entitled upon request to a statement from the association or~~
19 ~~its management agent setting forth the amount of assessments past due and unpaid~~
20 ~~together with late charges and interest applicable thereto against that condominium unit.~~
21 ~~Such request shall be in writing, shall be delivered to the registered office of the~~
22 ~~association, and shall state an address to which the statement is to be directed. Failure~~
23 ~~on the part of the association to mail or otherwise furnish such statement regarding~~
24 ~~amounts due and payable at the expiration of such five-day period with respect to the~~
25 ~~condominium unit involved to such address as may be specified in the written request~~
26 ~~therefor within five business days from the receipt of such request shall cause the lien for~~

~~assessments created by this Code section to be extinguished and of no further force or effect as to the title or interest acquired by the purchaser or lender, if any, as the case may be, and their respective successors and assigns, in the transaction contemplated in connection with such request. The information specified in such statement shall be binding upon the association and upon every unit owner. Payment of a fee not exceeding \$10.00 may be required as a prerequisite to the issuance of such a statement if the condominium instruments so provided. Within ten business days after receiving a written request for a statement of account from a unit owner or the unit owner's designee, a mortgage lender considering the loan of funds to be secured by a unit, or a mortgagee of a unit or the designee of such mortgagee of a unit, the association shall issue a statement of account applicable to such unit. Such request shall be considered received at the time it is sent if transmitted by electronic means or by hand delivery and upon delivery if transmitted by statutory overnight delivery. An association shall designate on its website or otherwise publish the name of a person or entity with a street or email address for receipt of a request for such statement of account. A statement of account shall be delivered by email, electronic download, or other electronic means; hand delivery; or statutory overnight delivery to the requester on the date of the issuance of the statement of account.~~

(2) A statement of account shall be completed by an officer, authorized agent, or authorized representative of the association, including any authorized agent, authorized representative, or employee of a management company authorized to complete such statement of account on behalf of the association. Such officer, authorized agent, or authorized representative is authorized to use the form provided for in paragraph (7) of this subsection for completion of the statement of account for satisfaction of all requirements of the statement of account. A statement of account shall contain the following information regarding the unit for which the request was made:

(A) Date of issuance;

(B) Date of the request and name of the requester;

(C) Name of the unit owner or owners as reflected in the books and records of the association;

(D) Unit address;

(E) Fee for the preparation of the statement of account;

(F) The following assessment information applicable to the unit:

(i) The amount of the regular periodic assessment levied against the unit;

(ii) The frequency of the regular periodic assessment levied against the unit;

(iii) The due date for the next installment of the regular periodic assessment and the anticipated amount due;

64 (iv) The total balance owed by the unit owner on the date of issuance of all
65 assessments, special assessments, and other charges levied by the association on the
66 unit; and

67 (v) The amount of regular periodic assessments, special assessments, and capital
68 contribution, initiation fee, or working capital charges that is scheduled to become due
69 to the association against the unit after the date of issuance for the effective period.
70 In calculating the amount that is scheduled to become due, the association shall
71 assume that any delinquent amount will remain delinquent during the effective period
72 of the statement of account;

73 (G) Identification of any existing violation of the association's covenants, bylaws, rules
74 and regulations, or guidelines for which the unit owner has received notice according
75 to the association's books and records and any reoccurring charges for such violation;

76 (H) A list of and contact information for all other associations of which the unit owner
77 is a mandatory member by virtue of ownership of the unit;

78 (I) If requested, a copy of the governing documents for the association in its
79 possession;

80 (J) If requested, a copy of the association's certificate of insurance for any insurance
81 provided by the association to the unit or the name, address, and telephone number of
82 the association's insurance provider of any such insurance; and

83 (K) The signature of an officer or authorized agent of the association.

84 (3) A statement of account shall have a 30 day effective period. If additional information
85 becomes known to the association or its agent during the effective period of the statement
86 of account, the association or its agent may issue and deliver, at no additional charge, an
87 amended statement of account which shall become effective, provided that a sale or
88 refinancing of the unit has not already been completed during the effective period. Such
89 amended statement of account shall be delivered on the date of issuance, and a new 30
90 day effective period shall begin on such date.

91 (4) An association shall waive the right to collect any moneys owed from a buyer or its
92 successors and assigns, and its lien rights, in excess of the amount specified in the
93 statement of account.

94 (5) The association's or its agent's failure to:

95 (A) Furnish a statement of account as requested and in accordance with this subsection
96 shall result in the association's or its agent's forfeiture of its fee for the preparation and
97 delivery of the statement of account; and

98 (B) Disclose the correct amount of an assessment, a special assessment, or other
99 moneys owed to the association shall result in the loss of any obligation of a buyer to

100 pay the undisclosed sum due and loss of the lien right for the incorrect reported
101 assessment, special assessment, or other moneys owed to the association.

102 (6)(A) An association or its authorized agent may charge a reasonable fee for the
103 preparation and delivery of a statement of account which shall not exceed \$250.00. If
104 a statement of account is requested on an expedited basis and delivered within three
105 business days following the request, the association or its agent may charge an
106 additional fee for the expedited service which shall not exceed \$100.00. If an amended
107 statement of account is requested at any time during or within 30 days after the
108 expiration of the effective period, an association or its agent may charge an additional
109 fee of not more than \$50.00 for such amended statement of account.

110 (B) The fees specified in this paragraph shall be adjusted every three years beginning
111 on July 1, 2022, by the total percentage of inflation during such three-year period, as
112 determined by the Consumer Price Index for all urban consumers, United States city
113 average, all items, as published by the Bureau of Labor Statistics of the United States
114 Department of Labor, in increments to the nearest dollar.

115 (7) A document substantially in the following form may be used to make a statutory form
116 statement of account that has the meaning and effect prescribed by this subsection:

117 'STATUTORY STATEMENT OF ACCOUNT

118 This Statutory Statement of Account ("SSA") has been issued in full compliance with
119 the statutory requirements of O.C.G.A. 44-3-109(d) or 44-3-232(d).

120 **Association:** _____

121 **Management Company:** _____

<u>Property Address</u>	<u>Property Owners:</u>
<u>("Property"):</u>	<u>(Per Association's Records)</u>
_____	_____
_____	_____
_____	_____

127 **(A) Date of Issuance:** _____

128 NOTE: This SSA, unless amended, will be effective for a period of 30 days from the
129 Date of Issuance ("Effective Period").

130 **(B) Date of Request:** _____

131 Name of Requester: _____

132 **(C) Type of Request and Applicable Fees for SSA:**

- 133 Standard Issue (issued within ten business days of its request) \$ _____
- 134 Expedited Issue (issued in less than ten and within three business days of its request) \$ _____
- 135 Amended Issue (by Association, no charge)
- 136 Amended Issue (upon request) \$ _____
- 137 Other _____
- 138 Total Fees charged for SSA: \$ _____

139 **(D) Assessment Information Applicable to the Property:**

- 140 (i) Amount of the regular periodic assessment levied against
- 141 the Property \$ _____
- 142 (ii) Frequency of the regular periodic assessment levied against
- 143 the Property _____
- 144 (iii) Due date for the next installment of the regular periodic
- 145 assessment _____
- 146 (iv) Total balance owed by the Property Owner on the Date of
- 147 Issuance for all assessments, special assessments, and other
- 148 charges levied by the Association against the Property _____
- 149 (v) Amount of regular periodic assessments, special
- 150 assessments, and capital contribution/initiation fee/working
- 151 capital contribution charges that are scheduled to become due to
- 152 the Association against the Property after the Date of Issuance
- 153 for the Effective Period _____

154 **(E) An identification of any existing violation(s) of the Association's covenants,**

155 **bylaws, rules and regulations, and guidelines ("Governing Documents") for which**

156 **the Property Owner has received notice according to the Association's books and**

157 **records:** _____

158 _____

159 _____

160 If applicable, the amount of \$ _____ will be charged each

161 thereafter until the violation has been abated.

162 **(F) A list of and contact information for all other associations of which the**
 163 **Property Owner is a mandatory member by virtue of ownership of the Property:**
 164 _____
 165 _____
 166 _____

167 **(G) If requested, a copy of the Governing Documents for the Association in its**
 168 **possession:** _____

169 **(H) If requested, a copy of the Association's certificate of insurance for any**
 170 **insurance provided by the Association to the Property in its possession OR the**
 171 **name, address, and telephone number of the Association's insurance provider of**
 172 **any such insurance:** _____
 173 _____
 174 _____

175 **(I) The signature of an officer or authorized agent of the Association:**
 176 By: _____
 177 Print Name: _____
 178 Its: _____ "

179 **SECTION 2.**

180 Said chapter is further amended by revising subsection (d) of Code Section 44-3-232, relating
 181 to assessments against lot owners as constituting lien in favor of association, additional
 182 charges against lot owners, procedure for foreclosing lien, and obligation to provide
 183 statement of amounts due, as follows:

184 ~~"(d)(1) Any lot owner, mortgagee of a lot, person having executed a contract for the~~
 185 ~~purchase of a lot, or lender considering the loan of funds to be secured by a lot shall be~~
 186 ~~entitled upon request to a statement from the association or its management agent setting~~
 187 ~~forth the amount of assessments past due and unpaid together with late charges and~~
 188 ~~interest applicable thereto against that lot. Such request shall be in writing, shall be~~
 189 ~~delivered to the registered office of the association, and shall state an address to which~~
 190 ~~the statement is to be directed. Failure on the part of the association, within five business~~
 191 ~~days from the receipt of such request, to mail or otherwise furnish such statement~~
 192 ~~regarding amounts due and payable at the expiration of such five-day period with respect~~
 193 ~~to the lot involved to such address as may be specified in the written request therefor shall~~
 194 ~~cause the lien for assessments created by this Code section to be extinguished and of no~~

195 further force or effect as to the title or interest acquired by the purchaser or lender, if any,
 196 as the case may be, and their respective successors and assigns, in the transaction
 197 contemplated in connection with such request. The information specified in such
 198 statement shall be binding upon the association and upon every lot owner. Payment of
 199 a fee not exceeding \$10.00 may be required as a prerequisite to the issuance of such a
 200 statement if the instrument so provides. Within ten business days after receiving a
 201 written request for a statement of account from a lot owner or the lot owner's designee,
 202 a mortgage lender considering the loan of funds to be secured by a unit, or a mortgagee
 203 of a lot or the designee of such mortgagee of a lot, the association shall issue a statement
 204 of account applicable to such lot. Such request shall be considered received at the time
 205 it is sent if transmitted by electronic means or by hand delivery and upon delivery if
 206 transmitted by statutory overnight delivery. An association shall designate on its website
 207 or otherwise publish to its owners the name of a person or entity with a street or email
 208 address for receipt of a request for such statement of account. A statement of account
 209 shall be delivered by email, electronic download, or other electronic means; hand
 210 delivery; or statutory overnight delivery to the requester on the date of the issuance of the
 211 statement of account.

212 (2) A statement of account shall be completed by an officer, authorized agent, or
 213 authorized representative of the association, including any authorized agent, authorized
 214 representative, or employee of a management company authorized to complete such
 215 statement of account on behalf of the association. Such officer, authorized agent, or
 216 authorized representative is authorized to use the form provided for in paragraph (7) of
 217 this subsection for completion of the statement of account for satisfaction of all
 218 requirements of the statement of account. A statement of account shall contain the
 219 following information regarding the lot for which the request was made:

220 (A) Date of issuance;

221 (B) Date of the request and name of the requester;

222 (C) Name of the lot owner or owners as reflected in the books and records of the
 223 association;

224 (D) Lot address;

225 (E) Fee for the preparation of the statement of account;

226 (F) The following assessment information applicable to the lot:

227 (i) The amount of the regular periodic assessment levied against the lot;

228 (ii) The frequency of the regular periodic assessment levied against the lot;

229 (iii) The due date for the next installment of the regular periodic assessment and the
 230 anticipated amount due;

231 (iv) The total balance owed by the unit owner on the date of issuance of all
 232 assessments, special assessments, and other charges levied by the association against
 233 the lot; and

234 (v) The amount of regular, periodic assessments, special assessments, and capital
 235 contribution, initiation fee, or working capital charges that is scheduled to become due
 236 to the association against the lot after the date of issuance for the effective period. In
 237 calculating the amount that is scheduled to become due, the association shall assume
 238 that any delinquent amount will remain delinquent during the effective period of the
 239 statement of account;

240 (G) Identification of any existing violation of the association's covenants, bylaws, rules
 241 and regulations, or guidelines for which the lot owner has received notice according to
 242 the association's official records and any reoccurring charges for such violation;

243 (H) A list of and contact information for all other associations of which the lot owner
 244 is a mandatory member by virtue of ownership of the lot;

245 (I) If requested, a copy of the governing documents for the association in its
 246 possession;

247 (J) If requested, a copy of the association's certificate of insurance for any insurance
 248 provided by the association to the lot or the name, address, and telephone number of the
 249 association's insurance provider of any such insurance; and

250 (K) The signature of an officer or authorized agent of the association.

251 (3) A statement of account shall have a 30 day effective period. If additional information
 252 becomes known to the association or its agent within the effective period of the statement
 253 of account, the association or its agent may issue and deliver, at no additional charge, an
 254 amended statement of account which shall become effective, provided that a sale or
 255 refinancing of the lot has not already been completed during the effective period. Such
 256 amended statement of account shall be delivered on the date of issuance, and a new 30
 257 day effective period shall begin on such date.

258 (4) An association shall waive the right to collect any moneys owed from a buyer or its
 259 successor and assigns, and its lien rights, in excess of the amount specified in the
 260 statement of account.

261 (5) The association's or its agent's failure to:

262 (A) Furnish a statement of account as requested and in accordance with this subsection
 263 shall result in the association's or its agent's forfeiture of its fee for the preparation and
 264 delivery of the statement of account; and

265 (B) Disclose the correct amount of an assessment, a special assessment, or other
 266 moneys owed to the association shall result in the loss of any obligation of a buyer to

267 pay the undisclosed sum due and loss of the lien right for the incorrect reported
268 assessment, special assessment, or other moneys owed to the association.

269 (6)(A) An association or its authorized agent may charge a reasonable fee for the
270 preparation and delivery of a statement of account which shall not exceed \$250.00. If
271 a statement of account is requested on an expedited basis and delivered within three
272 business days after the request, the association or its agent may charge an additional fee
273 for the expedited service which shall not exceed \$100.00. If an amended statement of
274 account is requested at any time during or within 30 days after the expiration of the
275 effective period, an association or its agent may charge a fee of not more than \$50.00
276 for such amended statement of account.

277 (B) The fees specified in this paragraph shall be adjusted every three years beginning
278 on July 1, 2022, by the total percentage of inflation during such three-year period, as
279 determined by the Consumer Price Index for all urban consumers, United States city
280 average, all items, as published by the Bureau of Labor Statistics of the United States
281 Department of Labor, in increments to the nearest dollar.

282 (7) A document substantially in the following form may be used to make a statutory form
283 statement of account that has the meaning and effect prescribed by this subsection:

284 'STATUTORY STATEMENT OF ACCOUNT

285 This Statutory Statement of Account ("SSA") has been issued in full compliance with
286 the statutory requirements of O.C.G.A. 44-3-109(d) or 44-3-232(d).

287 **Association:** _____

288 **Management Company:** _____

289 <u>Property Address</u>	289 <u>Property Owners:</u>
290 <u>("Property"):</u>	290 <u>(Per Association's Records)</u>
291 _____	291 _____
292 _____	292 _____
293 _____	293 _____

294 **(A) Date of Issuance:** _____

295 NOTE: This SSA, unless amended, will be effective for a period of 30 days from the
296 Date of Issuance ("Effective Period").

297 **(B) Date of Request:** _____

298 Name of Requester: _____

299 **(C) Type of Request and Applicable Fees for SSA:**

- 300 Standard Issue (issued within ten business days of its request) \$ _____
- 301 Expedited Issue (issued in less than ten and within three business days of its request) \$ _____
- 302 Amended Issue (by Association, no charge)
- 303 Amended Issue (upon request) \$ _____
- 304 Other _____
- 305 Total Fees charged for SSA: \$ _____

306 **(D) Assessment Information Applicable to the Property:**

- 307 (i) The amount of the regular periodic assessment levied
- 308 against the Property \$ _____
- 309 (ii) Frequency of the regular periodic assessment levied against
- 310 the Property _____
- 311 (iii) Due date for the next installment of the regular periodic
- 312 assessment _____
- 313 (iv) Total balance owed by the Property Owner on the Date of
- 314 Issuance for all assessments, special assessments, and other
- 315 charges levied by the Association against the Property _____
- 316 (v) Amount of regular periodic assessments, special
- 317 assessments, and capital contribution/initiation fee/working
- 318 capital contribution charges that are scheduled to become due to
- 319 the Association against the Property after the Date of Issuance
- 320 for the Effective Period _____

321 **(E) An identification of any existing violation(s) of the Association's covenants,**

322 **bylaws, rules and regulations, and guidelines ("Governing Documents") for which**

323 **the Property Owner has received notice according to the Association's books and**

324 **records:** _____

325 _____

326 _____

327 If applicable, the amount of \$ _____ will be charged each

328 thereafter until the violation has been abated.

329 **(F) A list of and contact information for all other associations of which the**
330 **Property Owner is a mandatory member by virtue of ownership of the Property:**

331 _____
332 _____
333 _____

334 **(G) If requested, a copy of the Governing Documents for the Association in its**
335 **possession:**

336 **(H) If requested, a copy of the Association's certificate of insurance for any**
337 **insurance provided by the Association to the Property in its possession OR the**
338 **name, address, and telephone number of the Association's insurance provider of**
339 **any such insurance:**

340 _____
341 _____

342 **(I) The signature of an officer or authorized agent of the Association:**

343 By: _____

344 Print Name: _____

345 Its: _____”

346 **SECTION 3.**

347 All laws and parts of laws in conflict with this Act are repealed.