



2023 Tennessee State End of Session Report

Community Associations Institute (CAI) spent the 2023 legislative session advocating on behalf of the approximately [722,000 Tennesseans in 292,000 homes in more than 5,1100 community associations](#). More than 1,500 bills were introduced, and the Tennessee Legislative Action Committee (TN LAC) monitored 3 bills that would have directly affected community associations. Below is a brief overview:

TN SB 863/HB 750 - AN ACT to amend Tennessee Code Annotated, Title 66, Chapter 27, relative to reserve studies. This legislation was an effort by the TN LAC in response to the 2021 tragic condominium collapse in Surfside, Florida. This legislation protects Tennessee associations by requiring condominiums associations to be responsible for infrastructure within their communities through taking measures to establish a reserve study to be conducted in 2023, and then every five years thereafter. These studies will allow an association to plan out future respective responsibilities to maintain, repair, and replace the components of that infrastructure when necessary. The TN LAC garnered sizable grassroots support with more than 30 advocates sending emails to their legislators in support of this legislation.

Reserve studies are a planning tool to assist with budgeting for replacement or substantial repairs based on life cycle. This legislation aligns with CAI public policy guidelines to ensure communities are safe and assists in the planning of the financial future of an association. A reserve study allows community association boards to plan for long-term maintenance and expensive repairs necessary to keep you as residents and infrastructure safe. Community associations are responsible for what is often considerable maintenance and upkeep of shared common elements. Typically, these costs are determined during the annual budget process and funded by annual association assessments charged to owners in the community.

CAI supports policy that requires reserve studies to be prepared in compliance with National Reserve Study Standards. CAI supports mandated reserve studies and funding for new community developments and periodic reserve studies for communities with major shared components.

Status: SUCCESSFULLY PASSED

TN SB 1184 - Real Property - As introduced, requires payment of a \$2,500 fee for the transfer of real property located within communities governed by certain nonprofit property owners' associations; adds other related requirements. - Amends TCA Title 8 and Title 66. The TN LAC opposed this legislation that would require a fee for transferring property in community associations. This legislation would have required a fee of \$2,500 per instance, paid by the person transferring the property.

Status: NO ACTION THIS SESSION. PENDING FOR NEXT YEAR.

TN HB 1210/SB 1509 - Police - As introduced, authorizes certain nonprofit property owners associations to employ and commission police officers. - Amends TCA Title 5; Title 6; Title 7; Title 8 and Title 38. This legislation would have allowed certain community associations to hire and commission police officers. Associations with their own roadways, parks or recreation facilities, or other public



amenity would be able to employ a Tennessee Police Officer as a special deputy.

Status: No action this year. Pending in committee for 2024.

SB1030/HB35 - PROPERTY & HOUSING: Notice to HOAs regarding transfer of ownership of property.

The TN LAC monitored this legislation that would have extended the amount of time a business entity would have to notify an association about a change in contact information or transfer in ownership from 30 business days to 35 business days.

Status: Caption bill. Held on clerk's desk pending language. No action this year.

SB1257/HB1172 - BANKING & CREDIT: Homeowner Bill of Rights. The TN LAC monitored this legislation that would establish homeowners' rights regarding pre-foreclosure procedures and to provide avenues to avoid foreclosure for a homeowner. The legislation would give 90 days to finalize sale and litigation in the case of foreclosure.

Status: No action this year.

Your Assistance is Needed

CAI's Tennessee LAC relies on outside resources such as professional lobbying as a vital and integral part of the legislative process. The volunteers who advocate – including homeowner leaders, community managers, and business partners – greatly rely on contributions from management companies and business partners in addition to individuals to continue their important efforts in the legislature. The TN LAC needs your financial support to bolster their advocacy activities in 2023 and beyond. We encourage donations from TN community associations, business partners, and individuals. Please visit www.caionline.org/lacdonate/ and donate to "Tennessee" to support our continued efforts.

[Click here to follow the important legislation CAI is tracking for 2023 and beyond.](#)

We need YOUR voice! [Sign up today](#) to become a CAI Advocacy Ambassador and help shape legislation in your state!

Contact Information

- Visit [CAI Tennessee LAC](#)
- Contact CAI's Government and Public Affairs Team at government@caionline.org
- Visit [CAI Tennessee Chapter](#)