



General Assembly

Substitute Bill No. 6662

January Session, 2013



AN ACT CONCERNING THE RECOUPMENT OF MONEYS OWED TO A UNIT OWNERS' ASSOCIATION DUE TO NONPAYMENT OF ASSESSMENTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (b) of section 47-258 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2013*):

4 (b) [A] Notwithstanding any provision in the declaration or bylaws
5 to the contrary, a lien under this section is prior to all other liens and
6 encumbrances on a unit except (1) liens and encumbrances recorded
7 before the recordation of the declaration and, in a cooperative, liens
8 and encumbrances which the association creates, assumes or takes
9 subject to, (2) a first or second security interest on the unit recorded
10 before the date on which the assessment sought to be enforced became
11 delinquent, or, in a cooperative, a first or second security interest
12 encumbering only the unit owner's interest and perfected before the
13 date on which the assessment sought to be enforced became
14 delinquent, and (3) liens for real property taxes and other
15 governmental assessments or charges against the unit or cooperative.
16 [The] In all actions brought to foreclose a lien under this section or a
17 security interest described in subdivision (2) of this subsection, the lien
18 is also prior to all security interests described in subdivision (2) of this

19 subsection to the extent of (A) an amount equal to the common
20 expense assessments based on the periodic budget adopted by the
21 association pursuant to subsection (a) of section 47-257 which would
22 have become due in the absence of acceleration during the [six] nine
23 months immediately preceding institution of an action to enforce
24 either the association's lien or a security interest described in
25 subdivision (2) of this subsection, excluding any late fees, interest or
26 finances which may be assessed by the association during the nine-month
27 period, and (B) the association's costs and reasonable attorney's fees in
28 enforcing its lien. A lien for any assessment or fine specified in
29 subsection (a) of this section shall have the priority provided for in this
30 subsection in an amount not to exceed the amount specified in
31 subparagraph (A) of this subsection. This subsection does not affect the
32 priority of mechanics' or materialmen's liens or the priority of liens for
33 other assessments made by the association.

34 Sec. 2. Subsection (m) of section 47-258 of the general statutes is
35 repealed and the following is substituted in lieu thereof (*Effective*
36 *October 1, 2013*):

37 (m) (1) An association may not commence an action to foreclose a
38 lien on a unit under this section unless: [(1)] (A) The unit owner, at the
39 time the action is commenced, owes a sum equal to at least two
40 months of common expense assessments based on the periodic budget
41 last adopted by the association pursuant to subsection (a) of section 47-
42 257; [(2)] (B) the association has made a demand for payment in a
43 record; and [(3)] (C) the executive board has either voted to commence
44 a foreclosure action specifically against that unit or has adopted a
45 standard policy that provides for foreclosure against that unit.

46 (2) Not less than sixty days prior to commencing an action to
47 foreclose a lien on a unit under this section, the association shall
48 provide a written notice to the holders of all security interests
49 described in subdivision (2) of subsection (b) of this section, which
50 shall set forth the following: (A) The amount of unpaid common
51 expense assessments owed to the association as of the date of the

52 notice; (B) the amount of any attorney's fees and costs incurred by the
53 association in the enforcement of its lien as of the date of the notice;
54 and (C) a statement of the association's intention to foreclose its lien if
55 the amounts described in subparagraphs (A) and (B) of this
56 subdivision are not paid to the association within sixty days of the date
57 on which the notice is mailed.

58 (3) When providing the written notice required by subdivision (2) of
59 this subsection, the association may rely on the last-recorded security
60 interest of record in delivering or mailing notice to the holder of that
61 interest, unless the holder of the security interest is the plaintiff in an
62 action pending in the Superior Court to enforce that security interest,
63 in which case the association shall send the written notice to the
64 attorney appearing on behalf of the holder of the security interest in
65 such action.

66 (4) The failure of the association to provide the written notice
67 required by subdivision (2) of this subsection prior to commencing an
68 action to foreclose its lien shall not affect the priority of its lien for an
69 amount equal to nine months common expense assessments, but the
70 priority amount in such action shall not include any costs or attorney's
71 fees.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2013	47-258(b)
Sec. 2	October 1, 2013	47-258(m)

JUD *Joint Favorable Subst.*