General Assembly

Substitute Bill No. 7068

January Session, 2025

HB07068JUD 040825

AN ACT CONCERNING COURT-ORDERED ACCOUNTINGS OF COMMON INTEREST COMMUNITY FINANCIAL RECORDS AND REVISING THE DISCLOSURE REQUIREMENTS RELATING TO COMMON INTEREST COMMUNITIES.

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

Section 1. (NEW) (*Effective October 1, 2025*) (a) Notwithstanding any provision of the declaration or bylaws to the contrary and except as provided in subsection (c) of section 47-260 of the general statutes, any group of unit owners of an association comprising not less than ten per cent of such association may petition the Superior Court for an order directing such association to retain an independent third party to conduct an accounting of such association's financial records retained by such association pursuant to the provisions of subsection (a) of section 47-260 of the general statutes that are related to such association's expenditures and any other financial matters, provided such group of unit owners satisfies the following conditions:

(1) Such group of unit owners certifies in writing that a good faith belief exists in grounds for an accounting of such association's financial records;

(2) Such group of unit owners obtains a signed opinion of an independent certified public accountant who specializes in fraud and

financial forensics that there appears to be evidence of financial fraud or misuse of such association's funds. Such signed opinion shall identify the basis for the formation of such opinion;

(3) Such group of unit owners holds not less than ten per cent of undirected or directed proxies of the unit owners giving authority to such group of unit owners to file such petition for an accounting of such association's financial records; and

(4) No such accounting has been completed during the immediately preceding twelve months from the date such group of unit owners filed such petition for an accounting of such association's financial records.

(b) Any expenses associated with the completion of an accounting by an independent third party of an association's financial records pursuant to the provisions of subsection (a) of this section shall be paid for by the group of unit owners who filed such petition for an accounting of such association's financial records.

Sec. 2. Subparagraph (B) of subdivision (2) of subsection (d) of section 20-327b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

(B) A subsection entitled "General Information"

(i) Indicate the YEAR the structure was built:

(ii) Indicate HOW LONG you have occupied the property: If not applicable, indicate with N/A.

(iii) Does anyone else claim to own any part of your property, including, but not limited to, any encroachment(s)? If YES, explain:

(iv) Does anyone other than you have or claim to have any right to use any part of your property, including, but not limited to, any easement or right-of-way? If YES, explain:

(v) Is the property in a flood hazard area or an inland wetlands area?

If YES, explain:

(vi) Are you aware of the presence of a dam on the property that has been or is required to be registered with the Department of Energy and Environmental Protection? If YES, explain:

(vii) Do you have any reason to believe that the municipality in which the subject property is located may impose any assessment for purposes such as sewer installation, sewer improvements, water main installation, water main improvements, sidewalks or other improvements? If YES, explain:

(viii) Is the property located in a municipally designated village district, municipally designated historic district or listed on the National Register of Historic Places? If YES, explain:

(ix) Special Statement: Information concerning village districts and historic districts may be obtained from the municipality's village or historic district commission, if applicable.

(x) Is the property located in a special tax district? If YES, explain:

(xi) Is the property subject to any type of land use restrictions, other than those contained within the property's chain of title or that are necessary to comply with state laws or municipal zoning? If YES, explain:

(xii) Is the property located in a common interest community? If YES, is it subject to any community or association dues or fees? Please explain:

(xiii) Special Statement: If the property is located in a common interest community that is comprised of more than twelve units, the buyer is advised to obtain a "Resale Certificate", which shall be provided by the common interest community pursuant to state law. For any common interest community that is comprised of not more than twelve units and not required to provide such resale certificate, if such resale certificate is not available, the buyer should consult with trade

professionals, attorneys, real estate professionals, financial analysts and residents of such common interest community for more information concerning issues that may arise with ownership in common interest communities.

[(xiii)**]** (xiv) Do you have any knowledge of prior or pending litigation, government agency or administrative actions, orders or liens on the property related to the release of any hazardous substance? If YES, explain:

This act shall take effect as follows and shall amend the following sections:		
Section 1	*October 1, 2025*	New section
Sec. 2	*October 1, 2025*	20-327b(d)(2)(B)

Statement of Legislative Commissioners:
In Section 2(d)(2)(B)(xiii), "containing" was changed to "that is comprised of" for consistency.

INS *Joint Favorable Subst. C/R* JUD

JUD *Joint Favorable Subst.-LCO*