



General Assembly

**Amendment**

January Session, 2025

LCO No. 9154



Offered by:

REP. WOOD K., 29<sup>th</sup> Dist.

REP. PAVALOCK-D'AMATO, 77<sup>th</sup> Dist.

To: Subst. House Bill No. 7068

File No. 749

Cal. No. 467

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

1 Strike everything after the enacting clause and substitute the  
2 following in lieu thereof:

3 "Section 1. (NEW) (*Effective October 1, 2025*) (a) Notwithstanding any  
4 provision of the declaration or bylaws to the contrary and except as  
5 provided in subsection (c) of section 47-260 of the general statutes, any  
6 group of unit owners of units to which at least twenty per cent of the  
7 votes in the association are allocated pursuant to the declaration may  
8 petition the Superior Court for an order appointing an independent  
9 third party to conduct an audit of such association's financial records  
10 retained by such association pursuant to the provisions of subsection (a)  
11 of section 47-260 of the general statutes that are related to such  
12 association's expenditures and any other financial matters, provided  
13 such group of unit owners satisfies the following conditions:

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

17       (2) Such group of unit owners obtains a signed opinion of an  
18 independent certified public accountant who specializes in fraud or  
19 financial forensics that there appears to be evidence of financial fraud or  
20 misuse of such association's funds. Such signed opinion shall identify  
21 the basis for the formation of such opinion;

22       (3) Such group of unit owners certifies in such petition to such group  
23 of unit owner's ownership of units to which at least twenty per cent of  
24 the votes in such association are allocated pursuant to the declaration  
25 and attaches to such petition a certified copy of the allocation of the  
26 votes from the declaration as recorded; and

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

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

35       (c) Any association or community association manager who provides  
36 association management services for such association may charge a  
37 reasonable fee to the group of unit owners for providing such  
38 association's financial records to an independent third party pursuant  
39 to the provisions of this section. For the purposes of this subsection,  
40 "association management services" and "community association  
41 manager" have the same meanings as provided in section 20-450 of the  
42 general statutes.

43       (d) Any association may be entitled to reasonable attorney's fees  
44 incurred by the association pursuant to the provisions of this section.

45 Sec. 2. Subparagraph (B) of subdivision (2) of subsection (d) of section  
46 20-327b of the general statutes is repealed and the following is  
47 substituted in lieu thereof (*Effective October 1, 2025*):

48 (B) A subsection entitled "General Information"

49 (i) Indicate the YEAR the structure was built:

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

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

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

57 (v) Is the property in a flood hazard area or an inland wetlands area?  
58 If YES, explain:

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

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

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

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

- 73 (x) Is the property located in a special tax district? If YES, explain:
- 74 (xi) Is the property subject to any type of land use restrictions, other  
75 than those contained within the property's chain of title or that are  
76 necessary to comply with state laws or municipal zoning? If YES,  
77 explain:
- 78 (xii) Is the property located in a common interest community? If YES,  
79 is it subject to any community or association dues or fees? Please  
80 explain:
- 81 (xiii) Special Statement: If the property is located in a common  
82 interest community that is comprised of more than twelve units, the  
83 buyer is advised to (I) obtain a "Resale Certificate", which shall be  
84 provided by the common interest community pursuant to state law, and  
85 (II) request from the common interest community a report of such  
86 common interest community's reserve funds. For any common interest  
87 community that is comprised of not more than twelve units and not  
88 required to provide such resale certificate, if such resale certificate is not  
89 available, the buyer should consult with trade professionals, attorneys,  
90 real estate professionals, financial analysts and residents of such  
91 common interest community for more information concerning issues  
92 that may arise with ownership in common interest communities.
- 93 [(xiii)] (xiv) Do you have any knowledge of prior or pending  
94 litigation, government agency or administrative actions, orders or liens  
95 on the property related to the release of any hazardous substance? If  
96 YES, explain:
- 97 Sec. 3. Section 38a-726 of the general statutes is repealed and the  
98 following is substituted in lieu thereof (*Effective October 1, 2025*):
- 99 (a) No public adjuster shall charge or collect a fee if, within thirty days  
100 of a loss to a structure covered by a fire insurance policy, the insurer  
101 offers in writing to pay the full policy limits.
- 102 (b) Any fee charged to an insured by a public adjuster shall be based

103 only on the amount of the insurance settlement proceeds actually  
104 [received by the insured] paid by the insurer on the account of a loss and  
105 shall be collected by such public adjuster after the [insured has received  
106 such proceeds from the insurer] insurer has paid such settlement  
107 proceeds."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2025</i>	New section
Sec. 2	<i>October 1, 2025</i>	20-327b(d)(2)(B)
Sec. 3	<i>October 1, 2025</i>	38a-726