

SENATE BILL 2198

By Johnson

AN ACT to amend Tennessee Code Annotated, Title 20;
Title 25; Title 48 and Title 66, relative to
homeowners associations.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 66, Chapter 27, is amended by adding the following language as a new part:

66-27-601.

As used in this part, "homeowners' association" means an incorporated or unincorporated entity upon which responsibilities are imposed, which includes managing, maintaining, or improving the property, and of which the voting membership is comprised of persons owning separate lots or units who are required to pay dues to the association for the purposes delineated in the governing documents of the association.

66-27-602.

(a) A homeowners' association shall not prohibit any person from parking on any public street located within any county or municipality of this state unless expressly authorized by the legislative body of the county or municipality.

(b) Except as provided by subsection (a), any provision of a governing document of a homeowners' association that restricts parking on any public street is declared null and void. Unless expressly authorized by the legislative body of the county or municipality, any fees or fines imposed by any homeowners' association for any public street parking violation shall be unenforceable and of no legal effect in a court of law.

(c)

(1) A homeowners' association shall not penalize or fine any persons in an amount exceeding the required monthly amount of dues owed by persons owning separate lots or units within the respective homeowners' association.

(2) Any provision of a governing document of a homeowners' association that penalizes or fines persons in an amount exceeding the required monthly amount of monthly dues owed by persons owning separate lots or units with the respective homeowners' association is declared null and void. Any penalty or fine imposed in violation of this section shall be unenforceable and of no legal effect in a court of law.

66-27-603.

(a) A homeowners' association shall not attach an assessment lien on any real property in this state unless the homeowners' association or its designee demonstrates to a court by clear and convincing evidence that a person owning a separate lot or unit within the homeowners' association is past due on required monthly payments owed to the homeowners' association.

(b) Any provision of a governing document that allows for the automatic creation and attachment of any lien to real property located within a homeowners' association for the nonpayment of required dues is declared null and void.

66-27-604.

Unless expressly authorized by the legislative body of the county or municipality, no governing document of a homeowners' association shall limit or prohibit, or be construed to limit or prohibit, the display of any political sign on privately owned property within the boundaries of the respective homeowners' association. For purposes of this section, "political sign" means a sign advocating for or against a political candidate or a political issue.

SECTION 2. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it, and unless otherwise prohibited by the United States or Tennessee constitution, it is the intent of the general assembly that all applicable provisions be given retroactive application.