

**SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION**

S.F. No. 1492

(SENATE AUTHORS: LUCERO)

DATE	D-PG	OFFICIAL STATUS
02/09/2023	759	Introduction and first reading Referred to Judiciary and Public Safety

1.1 A bill for an act

1.2 relating to real property; requiring common interest communities to file annual

1.3 reports and bylaws with the attorney general; amending Minnesota Statutes 2022,

1.4 section 515B.3-106.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2022, section 515B.3-106, is amended to read:

1.7 **515B.3-106 BYLAWS; ANNUAL REPORT.**

1.8 (a) A common interest community shall have bylaws which comply with this chapter

1.9 and the statute under which the association is incorporated. The bylaws and any amendments

1.10 may be recorded, but need not be recorded to be effective unless so provided in the bylaws.

1.11 (b) The bylaws shall provide that, in addition to any statutory requirements:

1.12 (1) A meeting of the members shall be held at least once each year, and a specified

1.13 officer of the association shall give notice of the meeting as provided in section 515B.3-108.

1.14 (2) An annual report shall be prepared by the association and a copy of the report shall

1.15 be provided to each unit owner at or prior to the annual meeting.

1.16 (c) The annual report shall contain at a minimum:

1.17 (1) a statement of any capital expenditures in excess of two percent of the current budget

1.18 or \$5,000, whichever is greater, approved by the association for the current fiscal year or

1.19 succeeding two fiscal years;

2.1 (2) a statement of the association's total replacement reserves, the components of the
2.2 common interest community for which the reserves are set aside, and the amounts of the
2.3 reserves, if any, that the board has allocated for the replacement of each of those components;

2.4 (3) a copy of the statement of revenues and expenses for the association's last fiscal year,
2.5 and a balance sheet as of the end of said fiscal year;

2.6 (4) a statement of the status of any pending litigation or judgments to which the
2.7 association is a party;

2.8 (5) a detailed description of the insurance coverage provided by the association including
2.9 a statement as to which, if any, of the items referred to in section 515B.3-113, subsection
2.10 (b), are insured by the association; and

2.11 (6) a statement of the total past due assessments on all units, current as of not more than
2.12 60 days prior to the date of the meeting.

2.13 (d) The association must file the annual report, a copy of the bylaws, and any amendments
2.14 with the Office of the Attorney General.