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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2022

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A N A C T

RELATING TO PROPERTY -- CONDOMINIUM LAW

Introduced By: Representative Patricia A. Serpa

Date Introduced: February 18, 2022

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1           SECTION 1. Section 34-36.1-2.19 of the General Laws in Chapter 34-36.1 entitled  
2 "Condominium Law" is hereby amended to read as follows:

3           **34-36.1-2.19. Rights of secured lenders.**

4           (a) The declaration may require that all or a specified number or percentage of the  
5 mortgagees or beneficiaries of deeds of trust encumbering the units approve specified actions of  
6 the unit owners or the association as a condition to the effectiveness of those actions, but no  
7 requirement for approval may operate to:

8           (1) Deny or delegate control over the general administrative affairs of the association by  
9 the unit owners or the executive board, or

10           (2) Prevent the association or the executive board from commencing, intervening in, or  
11 settling any litigation or proceedings, or receiving and distributing any insurance proceeds except  
12 pursuant to § 34-36.1-3.13.

13           **(b) When approval of any actions of the unit owners or the association is required of all or**  
14 **a specified number or percentage of the unit mortgagees by this chapter or the declaration or bylaws**  
15 **as a condition to the effectiveness of those actions, written requests for approval shall be mailed by**  
16 **United States Postal Service (USPS) regular mail and certified mail return receipt requested to unit**  
17 **mortgagees at the mailing addresses referenced on mortgage documents recorded in the land**  
18 **evidence records. If a unit mortgagee fails to provide a written denial of approval to the party**  
19 **requesting approval, as stated in the written request for approval, within sixty (60) days after the**

1 [mailing of the request, the unit mortgagee shall be deemed to have approved the request. All written](#)  
2 [requests for approval to unit mortgagees shall reference and contain a copy of this section.](#)

3 SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
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RELATING TO PROPERTY -- CONDOMINIUM LAW

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1           This act provides that when a condominium association is required to obtain mortgagee  
2 approval prior to taking some action then the request for approval shall be mailed to the mortgage  
3 company by regular and certified mail and if the mortgagee fails to deny the request within sixty  
4 (60) days then the request shall be deemed to be approved.

5           This act would take effect upon passage.

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