

HOUSE BILL 2384

By Carter

AN ACT to amend Tennessee Code Annotated, 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, is amended by adding the following  
as a new chapter:

**66-38-101.**

(a) A member of a homeowners' association shall have a cause of action against  
a homeowners' association for diminution of property value and any other remedy in law  
or equity resulting from any change in a homeowners' association declaration or  
restrictive covenant that materially devalues a property covered by a declaration.

(b) In addition to any other remedy available in law or equity, the prevailing party  
shall be entitled to reasonable attorney's fees and actual costs associated with  
maintaining the action.

**66-38-102.** In creating a homeowners' association, the declarant may retain full and  
unfettered control of the subdivision, as described in the recorded plat, until the subdivision is  
transferred to the control of the homeowners' association.

**66-38-103.**

(a) A member of a homeowners' association shall have a cause of action against  
a homeowners' association for damages, and any other remedy in law or equity,  
including a declaratory judgment for:

(1) A failure to be afforded the right to notice of any meeting concerning  
any issue of the homeowners' association or its governing body at least seventy-  
two (72) hours prior to the meeting;

(2) A failure to be afforded the right to appear and address the homeowners' association's governing body while the body makes any considerations that affect, directly or indirectly, the homeowners' association; and

(3) Any adverse action taken by the homeowners' association against the member without the member being afforded the following:

(A) Notice of the alleged violation of any declarations, rules, or regulations;

(B) Notice of the time, date, and location of the hearing, which shall be open to all members of the homeowners' association, at least seventy-two (72) hours prior to the meeting;

(C) The opportunity to address those who will determine the issue of a breach;

(D) A reasonable time for curing the breach; and

(E) A notice of the penalties that are allowed in the declaration establishing the right to the adverse action.

(b) In addition to any other remedy in law or equity, including a declaratory judgement, the prevailing party in any action brought under this section is entitled to reasonable attorney's fees and actual costs associated with maintaining the action.

**66-38-104.**

Any homeowners' association agreement in conflict with this chapter, regardless of the date of its enactment, shall be deemed voidable as against public policy.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it, and shall apply to violations occurring on or after the effective date of this act.