

1 H.612

2 Introduced by Representative Lippert of Hinesburg

3 Referred to Committee on

4 Date:

5 Subject: Condominiums; common interest communities

6 Statement of purpose: This bill proposes to give unit owners of condominiums
7 and common interest communities the ability to demand arbitration to
8 challenge provisions, application, or enforcement of bylaws or rules of the
9 association.

10 An act relating to authorizing arbitration for unit owners of condominiums
11 and common interest communities

12 It is hereby enacted by the General Assembly of the State of Vermont:

13 Sec. 1. 27A V.S.A. § 3-120a is added to read:

14 § 3-120a. DISPUTES; ARBITRATION

15 (a) Notwithstanding any provision of law to the contrary, a unit owner
16 aggrieved or adversely affected by any provision of the declaration, bylaws,
17 rules, or regulations adopted, implemented, or enforced by the association
18 may, within 45 days of such adoption, implementation, or enforcement, submit
19 a demand to enter into binding arbitration to resolve any dispute as to the
20 reasonability, applicability, or validity of the association's action.

1 (b) An arbitrator shall be selected by consensus of the association and the
2 unit owner; provided, however, that if no consensus is reached, arbitration
3 shall be conducted by the individual first named by the unit owner. The costs
4 of arbitration shall be divided equally between the parties. The rules,
5 procedures, and any other outstanding issues of the arbitration shall be
6 governed by the most recent version of the Uniform Arbitration Act adopted
7 by the National Conference of Commissioners on Uniform State Laws.

8 (c) The findings, resolution, and damages or other relief awarded through
9 arbitration pursuant to this section shall be binding on all parties to the
10 arbitration.

11 Sec. 2. 27A V.S.A. § 1-204(a)(2) is amended to read:

12 (2) Unless excepted under section 1-203 of this title, the following
13 sections apply to a common interest community created in this state before
14 January 1, 1999: sections 1-206; 2-102, 2-117(h) and (i), 2-124, 3-103, 3-108,
15 3-110, 3-120a, and 3-124. The sections described in this subdivision apply
16 only to events and circumstances occurring after December 31, ~~2010~~ 2011 and
17 do not invalidate existing provisions of the declarations, bylaws, plats, or plans
18 of those common interest communities.

19 Sec. 3. EFFECTIVE DATE

20 This act shall take effect on passage.