

Senate Bill 963
Enrolled
GENERAL SUMMARY
By Section

SEC	ORS	PG	GENERAL SUMMARY*
			Oregon Planned Community Act ("PCA")
1	Add In	1	Adds Sections 2 and 3 to ORS 94.550 to 94.783.
2	NEW	1	<i>Board of Director Qualifications:</i> <ul style="list-style-type: none"> • Specifies each director must be an individual and owner or co-owner of a lot. • Prescribes exceptions.
3	NEW	1	<i>Association Incorporation and Dissolution:</i> <ul style="list-style-type: none"> • Provides if association is dissolved, association automatically continues under same name as an unincorporated association with all property, powers and obligations of incorporated association. Specifies: <ul style="list-style-type: none"> ◆ Members of board and officers prior to dissolution continue to serve. ◆ Association is governed by bylaws and applicable provisions of articles of incorporation of incorporated association. • Provides a separate association is not created when association is reinstated after administrative dissolution or again incorporated. Association automatically continues without any further action as may otherwise be required under corporation laws. Specifies: <ul style="list-style-type: none"> ◆ Association has all of the property, powers and obligations of unincorporated association existing immediately prior to reinstatement or incorporation. ◆ Bylaws in effect prior to reinstatement or incorporation constitute bylaws of incorporated association. ◆ Members of board and officers prior to incorporation continue to serve. • Prescribes application.
3a	94.572	2	<i>Application of Act:</i> Amends ORS 94.572 (application of Act to certain planned communities not established under Act) to include new Sections 2 and 3.
4	94.595	5	<i>Reserve Account:</i> <ul style="list-style-type: none"> • Makes reserve account subject to requirements and limitations of association bank accounts. <i>See Sec. 13 (ORS 94.670)</i> • Clarifies and revises right of owners to reduce, increase and eliminate funding of reserve account.
5	94.625	7	<i>Recording of Bylaw Amendments:</i> Requires once bylaws are recorded, all amendments to bylaws thereafter must be recorded.
6	94.630	8	<i>Powers of Association:</i> Adds reference to ORS 94.665 in paragraph regarding granting of easements and other concessions affecting common property.
7	94.635	10	<i>Contents of Bylaws:</i> Adds reference to amended quorum requirements section (Sec. 9) in paragraph requiring bylaws to provide for quorum requirements.
8	94.640	11	<i>Board Meetings-Executive Sessions:</i> <ul style="list-style-type: none"> • Clarifies meaning of executive session. • Permits consultation with legal counsel for any purpose to be in executive session. • Revises format.
9	94.655	13	<i>Quorum Requirements:</i> <ul style="list-style-type: none"> • Prescribes minimum quorum requirement of 20 percent. • Limits application of reduction of quorum requirement.
10	94.657	13	<i>Rules of Order:</i> Makes provisions regarding right to challenge and validity of Robert's Rules of Order applicable to all adopted rules of order.

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11	94.658	13	<i>Voting Rights of Fiduciaries:</i> Includes attorneys-in-fact and conservators as fiduciaries entitled to vote or grant consent with respect to a lot owned or held in fiduciary capacity.
12	94.665	13	<i>Common Property:</i> <ul style="list-style-type: none"> • Adds provisions governing consenting to roadway vacations and granting of leases, easements and other similar interest in common property. • Conforms to requirements of OCA, as amended by Sec. 24 (ORS 100.405). • Makes related changes.
13	94.670	14	<i>Association Records & Accounts:</i> <ul style="list-style-type: none"> • Requires proxies and ballots relating to amendments to governing documents to be maintained for one year from date amendment is effective. • Requires all association funds (in addition to assessments) to be maintained in federally insured accounts specified in section until disbursed. • Permits purchase of obligations of U.S. government. • Revises which association communications with legal counsel that are not available for owner examination.
14	94.700	16	<i>Management Agreements:</i> <ul style="list-style-type: none"> • Excludes from limitations imposed for management agreements entered into before turnover meeting: <ul style="list-style-type: none"> ◆ Performance-based energy or water efficiency contracts. ◆ Contracts relating to renewable energy facilities or their output serving the planned community, including facilities leased to the association. • Defines renewable energy facilities. • Imposes conditions.
15	94.704	17	<i>Allocation of Common Expenses:</i> Permits association to exclusively assess one or more lots for any loss or cost incurred (not limited to common expense) that board determines is fault of responsible owners.
16	94.733	18	<i>Association Right of Entry:</i> <ul style="list-style-type: none"> • Grants association right of entry to a lot to perform required maintenance, repairs or replacements and emergency repairs. • Prescribes requirements.
			Oregon Condominium Act ("OCA")
17	Add-In	18	Adds Sections 18 and 19 to ORS chapter 100.
18	NEW	18	<i>Board of Director Qualifications:</i> <ul style="list-style-type: none"> • Specifies each director must be an individual and owner or co-owner of a unit. • Prescribes exceptions.
19	NEW	19	<i>Condominium Form of Ownership:</i> Prohibits local jurisdiction from discriminating against condominium form of ownership.
20	100.020	19	<i>Application of OCA:</i> <ul style="list-style-type: none"> • Defines nonresidential purposes for use in certain provisions. • Provides an association is exempt from specific filing provisions with Real Estate Agency when not more than two additional units are created from common elements.
21	100.135	20	<i>Declaration Amendments:</i> Prescribes amendment requirements when an additional unit is created from common elements.

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22	100.155	22	<p>Automatic Status of Variable Property:</p> <ul style="list-style-type: none"> • Requires county assessor to reflect on assessor records the status of any variable property affected by automatic property reclassification. • Removes requirement that county surveyor include certain information regarding reclassification or withdrawal of variable property on surveyor's copy of plat.
23	100.175	23	<p>Reserve Account:</p> <ul style="list-style-type: none"> • Makes reserve account subject to requirements and limitations of association bank accounts. <i>See Sec. 29 (ORS 100.480)</i> • Clarifies and revises right of owners to reduce, increase and eliminate funding of reserve account.
24	100.405	25	<p>Association Incorporation and Dissolution:</p> <ul style="list-style-type: none"> • Clarifies that a separate association is not created when association is incorporated or again incorporated following dissolution. Provides: <ul style="list-style-type: none"> ◆ No further action as may otherwise be required under corporation laws is required. ◆ Members of board and officers prior to incorporation continue to serve. ◆ Bylaws prior to incorporation constitute bylaws of incorporated association. • Clarifies if an incorporated association is dissolved, it automatically continues as an unincorporated association under same name. Provides: <ul style="list-style-type: none"> ◆ Association has all of the property, powers and obligations of incorporated association existing immediately prior to dissolution. ◆ Members of board and officers prior to dissolution continue to serve. ◆ Association is governed by bylaws and applicable provisions of articles of incorporation of incorporated association. • Revises format. <p>Granting of Leases, Easements & Other Interest in General Common Elements: Revises requirements governing consenting to roadway vacations and granting of leases, easements and other similar interests in the general common elements.</p>
25	100.408	29	<p>Quorum Requirements:</p> <ul style="list-style-type: none"> • Prescribes minimum quorum requirement of 20 percent. • Limits application of reduction of quorum requirement.
26	100.409	29	<p>Rules of Order: Makes provisions regarding right to challenge and validity of Robert's Rules of Order applicable to all adopted rules of order.</p>
26a	100.410	29	<p>REA Approval of Bylaw Amendments: Reduces period that commissioner's approval bylaw amendment is valid from two years to one year.</p>
27	100.415	31	<p>Contents of Bylaws: Adds reference to amended quorum requirements section (Sec. 25) in paragraph requiring bylaws to provide for quorum requirements.</p>
28	100.420	32	<p>Board Meetings-Executive Sessions:</p> <ul style="list-style-type: none"> • Clarifies meaning of executive session. • Permits consultation with legal counsel for any purpose to be in executive session. • Revises format.
29	100.480	33	<p>Association Records & Accounts:</p> <ul style="list-style-type: none"> • Requires proxies and ballots relating to amendments to governing documents to be maintained for one year from date amendment is recorded. • Requires all association funds (in addition to assessments) to be maintained in federally insured accounts specified in section until disbursed.

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			<ul style="list-style-type: none"> • Permits purchase of obligations of U.S. government. • Revises which association communications with legal counsel that are not available for owner examination.
30	100.485	34	<p>Management Agreements:</p> <ul style="list-style-type: none"> • Excludes from limitations imposed for management agreements entered into before turnover meeting: <ul style="list-style-type: none"> ◆ Performance-based energy or water efficiency contracts. ◆ Contracts relating to renewable energy facilities or their output serving the condominium, including facilities leased to the association. • Defines renewable energy facilities. • Imposes conditions.
31	100.510	35	<p>Unit Boundaries: Corrects drafting error. Makes section a default section that does not apply if the declaration provides otherwise.</p>
32	100.525	35	<p>Voting Rights of Fiduciaries: Includes attorneys-in-fact and conservators as fiduciaries entitled to vote or grant consent with respect to unit owned or held in fiduciary capacity.</p>
33	100.530	35	<p>Common Expenses:</p> <ul style="list-style-type: none"> • Provides if board determines that any loss or cost incurred by association is the fault of one or more owners, the amount may be assessed exclusively against the units of responsible owners. • Conforms to ORS 94.704, as amended by Sec. 15.
34	94.540	36	<p>Association Right of Entry: Revises and conforms right of entry of association under OCA to new requirements under PCA. <i>See Sec. 16</i></p>
35	100.600	37	<p>Removal of Property from Condominium: Revises requirements for removal of a portion of the property from the condominium.</p>
36	100.105	38	<ul style="list-style-type: none"> • Makes changes to conform with new Section 43. • Conforms statutory references.
37	100.417	41	Conforms statutory references.
38	Ch 803, OR Laws 2003	42	Conforms statutory references.
39	Ch 803, OR Laws 2003	42	Conforms statutory references.
40	100.110	42	<p>Governmental Approvals of Declarations & Amendments:</p> <ul style="list-style-type: none"> • Makes changes to conform with amendments by Section 43. • Reduces period that commissioner's approval of declarations, supplemental declarations and amendments to declarations, supplemental declarations is valid from two years to one year. • Restructures section.
41	100.115	44	<p>Plats: Splits ORS 100.115 (condominium plats) into two sections.</p> <ul style="list-style-type: none"> • Retained sections of ORS 100.115 govern plats and supplemental plats. (<i>New Section 43a governs plat amendments.</i>) • Makes related and conforming changes.
42	Add-In	48	Adds Section 43 to ORS chapter 100.

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43		48	<i>Plat Amendments:</i> Adds existing provisions of ORS 100.115 governing plat amendments and: <ul style="list-style-type: none"> • Requires professional land surveyor to include official seal on plat. • Includes requirements when additional unit is created from common elements. • Changes statement of professional land surveyor required for plat amendments. • Removes requirement that county surveyor include certain information on surveyor's copy of plat. • Makes other related and conforming changes.
43a		49	<i>Correction Amendments:</i> Prescribes requirements and procedures to make corrections to recorded declarations, bylaws and other governing documents.
43b		51	<i>Plat Corrections:</i> Prescribes requirements and procedures to make corrections to recorded plats.
44	100.120	52	Conforms statutory references.
45	100.125	53	Conforms statutory references.
46	100.130	53	Conforms statutory references.
47	100.515	54	Conforms statutory references.
48	100.640	54	Conforms statutory references.

**This is a general summary to assist when reviewing the entire bill.*

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