

# house bill 304

An HOA Spring Story and  
a Lesson About HB 304



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During one winter in Utah, a deep depression fueled by 3 weeks of sub-freezing inversion, weighed heavily on condo owners Jeff and Cindy. Yesterday was Saturday and last night was spent staying up late, but it seemed that even sleeping in on Sunday wasn't going to brighten any moods. But wait! What is that? Sunshine is streaming through the window rousing them just about the time the phone rings with an invitation from friends to go play in the mountains for the day.

There is something about the first sunny warm day after a cold spell; Jeff and Cindy were feeling joyful. In fact they were thinking that their upstairs neighbors would be returning from their second home in Mexico anytime. They loved their upstairs neighbors, a retired couple who often spent months away going to warmer places.

They returned home well after dark. The ceiling in the living room was hanging down, water was dripping everywhere and running down the walls, the carpet was soaked, and there was water in the basement.

The deep depression returned, along with panic.

Months ago the upstairs neighbors had changed banks, and had neglected to notify the utility companies of the new bank account for automatic payment. Payments were missed and the electricity and heat were turned off. With no heat in the condominium, the pipes had frozen and burst with the expanding ice. With just a little warm weather, the pipes warmed up and the water started flowing through broken pipes, flooding their unit and Jeff and Cindy's below.

There is now a way to help prevent such a problem. Chief Sponsor, Representative Dixon M. Pitcher along with Senate Sponsor, Senator Brian E. Shiozawa championed House Bill 304, HOMEOWNER ASSOCIATION UTILITIES AMENDMENTS. This bill adds language to Utah Code 57-8-56 and 57-8a-225, establishing the right of a Condominium Association or an HOA to receive notification from utility companies regarding imminent termination of service. The new law also allows the association to pay the utility bills and then charge the owner those amounts.

An association must prepare by giving the utility companies notice that the association wants to receive warnings about upcoming utility disconnects. If the notice to the utility companies is proper and timely then the association will be given a 10 day heads-up about any up-coming disconnect of gas or electric. This much does not require any change of the association's governing documents.

But, there is more, which might require a change to governing documents. The new law also allows the association to enter and winterize, instead of paying the utility bills. If, and only if, the governing documents allow such entry and winterizing and only if reasonable notice is given to the owner.

The volunteer Utah Legislative Action Committee is pleased to have worked with the legislature to pass such a beneficial law. Be sure to consult with your association's attorney to review the new law and your Governing Documents then give the utility companies proper and timely notice. It is too late for Jeff and Cindy, but there is good news going forward for others in those associations that take advantage of HB 304.