

HB 2798 STAFF MEASURE SUMMARY

House Committee On Business and Labor

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Meeting Dates: 2/18

WHAT THE MEASURE DOES:

Allows homeowners associations and condominium associations to invest funds in high-rated municipal bonds.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Under current law, a homeowners association or condominium association must deposit and maintain assessments and all other association funds in federally insured accounts at a U.S. financial institution. An exception is allowed to purchase obligations of the U.S. government with the funds. House Bill 2798 extends the exception to allow for the purchase of municipal bonds that meet specified minimum bond ratings.