

**Senate File 2312 - Introduced**

SENATE FILE 2312  
BY COMMITTEE ON JUDICIARY

(SUCCESSOR TO SSB 3134)

**A BILL FOR**

1 An Act relating to the continued effect of terms, conditions,  
2 covenants, and provisions contained in documents and  
3 instruments creating or regulating multiple housing  
4 cooperatives and horizontal property regimes and including  
5 applicability provisions.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 499A.23 Effect of documents and  
2 instruments.

3 1. Unless amended or terminated by this chapter or by the  
4 following documents or instruments, all terms, conditions,  
5 covenants, and provisions contained in the following documents  
6 or instruments shall remain in full force and effect as long as  
7 the cooperative remains in existence:

8 a. The articles of incorporation of the cooperative and any  
9 amendments thereto.

10 b. The bylaws of the cooperative and any amendments thereto.

11 c. Any proprietary leases, contracts, or other agreements  
12 between the cooperative and a member of the cooperative or  
13 between members of the cooperative.

14 d. Any property interests created by any documents or  
15 instruments specified in paragraph "a", "b", or "c".

16 2. A document or instrument specified in subsection 1, and  
17 any property interests created by such document or instrument,  
18 shall not be extinguished, limited, or impaired by application  
19 of section 558.68 or 614.24.

20 Sec. 2. NEW SECTION. 499B.21 Effect of documents and  
21 instruments.

22 1. Unless amended or terminated by the following documents  
23 or instruments, all terms, conditions, covenants, and  
24 provisions contained in the following documents or instruments  
25 shall remain in full force and effect as long as the horizontal  
26 property regime remains in existence:

27 a. The declaration of the horizontal property regime and any  
28 amendments thereto.

29 b. The articles of incorporation of the horizontal property  
30 regime and any amendments thereto.

31 c. The bylaws of the horizontal property regime and any  
32 amendments thereto.

33 d. Any rules and regulations adopted pursuant to the  
34 declaration of the horizontal property regime and the bylaws of  
35 the horizontal property regime.

1 e. Any property interests created by any documents or  
2 instruments specified in paragraphs "a", "b", "c", or "d".

3 2. A document or instrument specified in subsection 1, and  
4 any property interests created by such document or instrument,  
5 shall not be extinguished, limited, or impaired by application  
6 of section 558.68 or 614.24.

7 Sec. 3. Section 558.68, Code 2014, is amended by adding the  
8 following new subsection:

9 NEW SUBSECTION. 6. This section shall not extinguish,  
10 limit, or impair the validity of a document or instrument  
11 specified in section 499A.23 or 499B.21, or any property  
12 interests created by such document or instrument.

13 Sec. 4. Section 614.24, Code 2014, is amended by adding the  
14 following new subsection:

15 NEW SUBSECTION. 4. This section shall not extinguish,  
16 limit, or impair the validity of a document or instrument  
17 specified in section 499A.23 or 499B.21, or any property  
18 interests created by such document or instrument.

19 Sec. 5. APPLICABILITY. This Act applies to all multiple  
20 housing cooperatives and horizontal property regimes created  
21 prior to, and still in existence on, July 1, 2014, and created  
22 on or after July 1, 2014.

23 EXPLANATION

24 The inclusion of this explanation does not constitute agreement with  
25 the explanation's substance by the members of the general assembly.

26 This bill relates to the effect of terms, conditions,  
27 covenants, and provisions contained in documents and  
28 instruments creating or regulating multiple housing  
29 cooperatives and horizontal property regimes.

30 The bill provides that unless amended or terminated by  
31 Code chapter 499A (multiple housing cooperatives) or by the  
32 following documents or instruments, all terms, conditions,  
33 covenants, and provisions contained in the following documents  
34 or instruments, and any property interests created by any such  
35 documents or instruments, shall remain in full force and effect

1 as long as the cooperative remains in existence: the articles  
2 of incorporation and the bylaws of the cooperative and any  
3 amendments thereto and any proprietary leases, contracts, or  
4 other agreements between the cooperative and a member of the  
5 cooperative or between members of the cooperative.

6 The bill also provides that unless amended or terminated  
7 by Code chapter 499B (horizontal property regimes) or by the  
8 following documents or instruments, all terms, conditions,  
9 covenants, and provisions contained in the following documents  
10 or instruments, and any property interests created by any  
11 such documents or instruments, shall remain in full force  
12 and effect as long as the cooperative remains in existence:  
13 the declaration of the horizontal property regime and any  
14 amendments thereto and the articles of incorporation and the  
15 bylaws of the horizontal property regime and any amendments  
16 thereto and any rules and regulations adopted pursuant to the  
17 declaration or bylaws.

18 The bill provides that the rule against perpetuities and  
19 certain provisions relating to reversion or use restrictions on  
20 land shall not impair the validity of a document or instrument  
21 property interest specified in the bill.

22 The bill applies to all multiple housing cooperatives and  
23 horizontal property regimes created prior to, and still in  
24 existence on, July 1, 2014, and created on or after July 1,  
25 2014.