LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT

LS 6743
BILL NUMBER: HB 1152

NOTE PREPARED: Feb 11, 2026
BILL AMENDED: Feb 12, 2026

SUBJECT: Homeowners Association Matters.

FIRST AUTHOR: Rep. Lawson
FIRST SPONSOR: Sen. Walker K

BILL STATUS: CR Adopted - 2nd House

FUNDS AFFECTED: **GENERAL**
DEDICATED
FEDERAL

IMPACT: No Fiscal Impact

Summary of Legislation: (Amended) This bill allows, if certain conditions are met, a homeowners association to increase a budget, without a quorum, in an amount not to exceed 110% of the amount of the last approved budget, within three years after the first sale of a lot or unit from a developer to a person not associated with the developer.

It also allows, if certain conditions are met, a homeowners association to increase an annual budget without a quorum in an amount that does not exceed the lesser of:
(1) 105% of the last approved budget; or
(2) the average increase of the Consumer Price Index for housing in Midwest for the prior 12 months.

The bill also specifies that a homeowners association may not prohibit or restrict a person from operating a Class I child care home or providing certain child care if the person resides within and owns, rents, or leases the single family residence where child care services are provided.

Effective Date: July 1, 2026.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

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