

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

**LS 6743**  
**BILL NUMBER: HB 1152**

**NOTE PREPARED:** Feb 17, 2026  
**BILL AMENDED:** Feb 12, 2026

**SUBJECT:** Homeowners Association Matters.

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

**BILL STATUS:** 2<sup>nd</sup> Reading - 2<sup>nd</sup> 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 five 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 the 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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