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2021 Assembly Bill 612

Testimony of Representative Cody Horlacher

January 5, 2022

Chairman Summerfield and members of the Assembly Committee on Housing and Real Estate, thank you for the opportunity to submit testimony on Assembly Bill 612. This bill was drafted in consultation with the Wisconsin Register of Deeds Association and has the support of the Wisconsin Counties Association. It is an updated version of 2019 AB 598/SB 550, which unanimously passed the Senate Committee and the full Assembly on a voice vote.

This bill aims to clean up and streamline Chapter 703, Condominiums, so that register of deeds offices, condominium owners, and condominium operators are all on the same page when it comes to recording.

Currently, register of deeds offices deal with an unclear and difficult statutory framework regarding condominium law. The issues they face include inconsistencies among recording requirements, difficulties locating bylaws and a lack of clarity regarding expansion or merging of condominiums. That's because under current law, only some instruments are required to be reported and some instruments do not have specifications for recording requirements. For example, it is unclear when expansion condominium areas become part of a condo plat. This lack of clarity is detrimental to all parties involved, any of whom may want to have legal certainty during such a process. In addition, the process for merging or consolidating condominiums is a gray area within Chapter 703, resulting in instruments being submitted any number of different ways. Generally speaking, Chapter 703 is difficult to navigate for owners, register of deeds offices, attorneys, and more.

This bill cleans up Chapter 703 and provides clarity to all parties involved by specifying exactly what needs to be recorded and in what manner. Additionally, bylaws would no longer be difficult to locate, since the condo association would deliver a copy to each unit owner.

Thank you for your time and consideration.



JOAN BALLWEG

STATE SENATOR · 14TH SENATE DISTRICT

Assembly Bill 612: Requirements Related to Condominium Documents and
Technical Changes to Condominium Law
Assembly Committee on Housing and Real Estate
Testimony of Senator Joan Ballweg
January 5, 2022

Thank you, Chairman Summerfield and members of the committee, for holding this hearing on AB 612. Some years ago, the Wisconsin Register of Deeds Association (WRDA) came to me with an idea to clean up condominium law. The drafting included the WRDA and several stakeholder groups, which resulted in this bill that will streamline and clarify Chapter 703 to the benefit of all parties. Last session, the bill (AB 598/SB 550) passed the full Assembly and the Senate committee unanimously, but it did not make it to the Senate floor before the end of session.

Register of Deeds offices deal with an unclear and difficult statutory framework regarding condominium law. The issues they face include inconsistencies among recording requirements, difficulties locating bylaws and a lack of clarity regarding expansion or merging of condominiums. This bill aims to cleanup and streamline Chapter 703 by creating greater specificity regarding recording so that Register of Deeds offices, condominium owners and condominium operators are all on the same page when it comes to recording these documents.

Additionally, bylaws will be more accessible to condominium owners, since the condominium association would be required to deliver a copy of approved amendments of bylaws to each unit owner. In other instances, Chapter 703 is not as clear nor as specific as it should be, making the position of Register of Deeds a complicated profession. The changes in this bill will allow Register of Deeds offices and private attorneys to be able to point to statutory authority in any disputes by removing ambiguities that may arise within the recording, expansion or merging processes.

Overall, AB 612 gives clarity regarding the processes within condominium law and streamlines the chapter to facilitate smoother property transactions. This bill is supported by the WRDA, Wisconsin Counties Association, Wisconsin Land Title Association and the Wisconsin Society of Land Surveyors. Thank you for considering this bill.



Wisconsin Register of Deeds Association Legislative Committee

Committee Members: Cheryl Berken – Co-Chair, Tiffany Ringer – Co-Chair, Kyle Franson, Brent Bailey, Sarah Van Camp, Margo Katterhagen, Chris Planasch, Staci Hoffman, JoEllyn Storz, Israel Ramon, Tracy Middleton and Heather Schwersenska

[Wisconsin Register of Deeds Association main index page. \(wrdaonline.org\)](http://wrdaonline.org)

Re: The cleanup of Chapter 703 Condominium relating to the requirements related to condominium documents and technical changes to condominium law.

Members of the Wisconsin Register of Deeds (WRDA) are regularly asked question regarding condominiums. Answering those questions and fulfilling the request of the constituents and real estate professionals can be challenging due to the vagueness and inconsistencies throughout Chapter 703.

- **Recording requirements and inconsistencies.** Under current law, only some instruments are required to be recorded. This bill specifies that all instruments shall be recorded and meet all recording requirements.
- **Difficulties locating bylaws.** Currently, it can be difficult and frustrating for real estate professionals, sellers and potential buyers to locate the bylaws to fulfill their statutory obligations or to do their due diligence. Under this bill, amendments to condominium bylaws must be delivered to each unit owner.
- **Clarification on expansion condominiums.** This bill clarifies that the expansion lands reserved in the declaration and designated on the condominium plat become part of the condominium only once they are added by means of recording an amendment to the declaration and an addendum to the condominium plat.
- **Clarification and requirements to merge condominiums.** Under current law, the process for merging two or more condominiums is gray resulting in instruments being submitted for recording inconsistently. This bill specifies that the only way to create a merger of condominiums is by recording a restatement of declaration that includes the merger agreement and a resultant plat.
- **General clean-up throughout.** Mainly terms and processes have been brought up to date.

Fulfilling the needs of constituents. Many existing owners of condominiums, potential buyers of condominiums and other real estate professionals come to the Register of Deeds office for copies of condominium plats, declarations and bylaws. In general, Chapter 703 is difficult to navigate through. This bill cleans up Chapter 703 and provides clarity to all partners involved by specifying what needs to be recorded in the register of deeds office and in what manner.

For these reasons, **the WRDA is seeking legislative changes to better address the needs of our constituents and other real estate professionals.** We ask that you partner with our association and support this legislation.



Staci M. Hoffman

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AB 612/SB 590 – Condo Legislation

Good Morning. I am Staci Hoffman, the Jefferson County Register of Deeds and serve on the legislative committee for the Wisconsin Register of Deeds Association. Unfortunately I am unable to attend today's hearing; however, I would like to ask for your support of AB 612.

The bill addresses the top five issues with recording condominium documents as identified through a survey of the association.

- **Recording requirements and inconsistencies.** Under current law, only some instruments are required to be recorded. This bill specifies that all instruments shall be recorded and meet all recording requirements.
- **Difficulties locating bylaws.** Currently, it can be difficult and frustrating for real estate professionals, sellers and potential buyers to locate the bylaws to fulfill their statutory obligations or to do their due diligence. Under this bill, amendments to condominium bylaws must be delivered to each unit owner.
- **Clarification on expansion condominiums.** This bill clarifies that the expansion lands reserved in the declaration and designated on the condominium plat become part of the condominium only once they are added by means of recording an amendment to the declaration and an addendum to the condominium plat.
- **Clarification and requirements to merge condominiums.** Under current law, the process for merging two or more condominiums is gray resulting in instruments being submitted for recording inconsistently. This bill specifies that the only way to create a merger of condominiums is by recording a restatement of declaration that includes the merger agreement and a resultant plat.
- **General clean up throughout.** Mainly terms and processes have been brought up to date.

This bill is an updated version of 2019 [AB 598/SB 550](#), which unanimously passed the Senate Committee and the full Assembly on a voice vote; we were almost there before the session time ran out and hope this doesn't happen again this session.

I ask for your support of AB 612. This has been an outstanding collaboration with our business partners to serve the great citizens of Wisconsin!

Thank you for your time and continued support of the Wisconsin Register of Deeds Association.

Staci M. Hoffman

Jefferson County Register of Deeds

Wisconsin Register of Deeds Association

Legislative Committee and Past President

Heather Schwersenska
Register of Deeds



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Good Morning. My name is **Heather Schwersenska**. I am the Register of Deeds for **Waushara** County.

Assembly Bill 612 addresses the top five issues that the Wisconsin Register of Deeds Association identified.

- **Recording requirements and inconsistencies.** Under current law, only some instruments are required to be recorded. This bill specifies that all instruments shall be recorded and meet all recording requirements.
- **Difficulties locating bylaws.** Currently, it can be difficult and frustrating for real estate professionals, sellers and potential buyers to locate the bylaws to fulfill their statutory obligations or to do their due diligence. Under this bill, amendments to condominium bylaws must be delivered to each unit owner.
- **Clarification on expansion condominiums.** This bill clarifies that the expansion lands reserved in the declaration and designated on the condominium plat become part of the condominium only once they are added by means of recording an amendment to the declaration and an addendum to the condominium plat.
- **Clarification and requirements to merge condominiums.** Under current law, the process for merging two or more condominiums is gray resulting in instruments being submitted for recording inconsistently. This bill specifies that the only way to create a merger of condominiums is by recording a restatement of declaration that includes the merger agreement and a resultant plat.
- **General clean up throughout.** Mainly terms and processes have been brought up to date.

This bill further enables us to fulfill the needs of our constituents and other real estate partners. Many existing owners of condominiums, potential buyers of condominiums and other real estate professionals come to the Register of Deeds office for copies of condominium plats, declarations and bylaws. In general, Chapter 703 is difficult to navigate through. This bill cleans up Chapter 703 and provides clarity to all partners involved by specifying what needs to be recorded in the register of deeds office and in what manner.

For these reasons, we ask that you partner with our association and support this legislation.

Thank you.

Heather Schwersenska