

Passed by both Houses



New South Wales

# Strata Legislation Amendment Bill 2023

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*I certify that this PUBLIC BILL, which originated in the LEGISLATIVE COUNCIL, has finally passed the LEGISLATIVE COUNCIL and the LEGISLATIVE ASSEMBLY of NEW SOUTH WALES.*

*Legislative Council*  
2023

*Clerk of the Parliaments*



New South Wales

## **Strata Legislation Amendment Bill 2023**

Act No           , 2023

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*An Act to amend the *Strata Schemes Development Act 2015* and the *Strata Schemes Management Act 2015* to implement various recommendations arising from the statutory review of the Acts; to make related amendments to the *Community Land Development Act 2021*, the *Community Land Management Act 2021* and other legislation; and for other purposes.*

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**The Legislature of New South Wales enacts—**

**1 Name of Act**

This Act is the *Strata Legislation Amendment Act 2023*.

**2 Commencement**

This Act commences as follows—

- (a) for Schedule 3[28] and Schedule 4[23] and [35]—on a day or days to be appointed by proclamation,
- (b) otherwise—on the date of assent to this Act.

## Schedule 1      **Amendment of Strata Schemes Development Act 2015 No 51**

### [1]      **Section 142 Application to Registrar-General for termination of strata scheme**

Omit section 142(2). Insert instead—

- (2) A person who proposes to make an application under this section must give public notice of the following—
  - (a) details of the strata scheme that is proposed to be terminated,
  - (b) a statement of intention to make the application.
- (2A) The notice must be given—
  - (a) at least 14 days, but not more than 6 months, before the application is made, and
  - (b) in a way the Registrar-General considers appropriate to ensure notice of the application comes to the attention of the public.
- (2B) Public notice is not required if the Registrar-General agrees it is not required.

### [2]      **Section 154 Definitions**

Insert in alphabetical order—

*relevant interest*—see section 154A.

### [3]      **Section 154A**

Insert after section 154—

#### **154A      Meaning of “relevant interest”**

- (1) In this part, *relevant interest* means a direct or indirect pecuniary interest or other interest a person has in the proposed collective sale or redevelopment of a strata scheme.
- (2) Without limiting subsection (1), a person has a direct or indirect pecuniary interest if the person—
  - (a) is a member of, or employed by—
    - (i) the proposed purchaser for a collective sale, or
    - (ii) the proposed developer for a redevelopment, or
    - (iii) a related entity of the proposed purchaser or developer, or
  - (b) is a member of, or employed by, a prospective purchaser or developer who has made a competing offer to purchase the parcel or redevelop the scheme, or a related entity, or
  - (c) has entered into an agreement, including an agreement conferring an option, with a proposed or prospective purchaser or developer, or
  - (d) owns, or is a member of, or employed by, an entity that owns, land that—
    - (i) is not part of the parcel, and
    - (ii) may be impacted by the proposed collective sale or redevelopment.
- (3) An owner of a lot does not have a direct or indirect pecuniary interest merely because the owner will—
  - (a) receive an apportioned amount for the sale of the lots and common property in a collective sale, or

(b) benefit from a redevelopment in the same way other owners will generally benefit from the redevelopment.

(4) In this section—

*option* means a call option or put option within the meaning of the *Duties Act 1997*, Chapter 3, Part 2.

*related entity* has the same meaning as in the *Corporations Act 2001* of the Commonwealth, section 9.

**[4] Section 161 Election of members**

Omit section 161(2).

**[5] Section 165**

Omit the section. Insert instead—

**165 Disclosures of conflicts of interest**

- (1) A person nominated for election as a member of the strata renewal committee must disclose the nature of a conflict of interest the person has—
  - (a) to the secretary of the owners corporation, and
  - (b) before the election is held.
- (2) A member of the strata renewal committee must disclose the nature of a conflict of interest the member has—
  - (a) to the secretary of the owners corporation, and
  - (b) as soon as practicable after the member becomes aware of the conflict of interest.
- (3) The person or member has a conflict of interest if—
  - (a) the person or member has a relevant interest, and
  - (b) the interest appears to raise a conflict with the proper performance of the strata renewal committee's function.
- (4) At a general meeting at which the members of a strata renewal committee are elected, the owners corporation must consider—
  - (a) the nature of a conflict of interest disclosed under subsection (1), and
  - (b) whether the nominee who disclosed the conflict should be elected to the committee, and
  - (c) if the nominee is elected as a member—whether the member should be subject to a requirement that, for a matter relating to the member's interest, the member—
    - (i) not be present during a deliberation about the matter, or
    - (ii) take part in a decision of the committee about the matter.
- (5) The secretary of the owners corporation must, as soon as practicable after receiving a disclosure under subsection (2), convene a general meeting of the owners corporation to decide whether to—
  - (a) remove the member from the strata renewal committee, or
  - (b) allow the member to remain on the committee subject to a requirement that, for a matter relating to the member's interest, the member—
    - (i) not be present during a deliberation about the matter, or
    - (ii) take part in a decision of the committee about the matter, or

(c) take no further action in relation to the matter and allow the member to remain on the committee with no restriction on participating in deliberations and decisions of the committee.

(6) A person who has made a disclosure under subsection (1) is not required to make a subsequent disclosure of the same conflict of interest if the person is elected as a member of the strata renewal committee.

**[6] Section 166 Period of operation of committee**

Omit “1 year” from section 166(a). Insert instead “2 years”.

**[7] Section 182 Decision of court**

Insert after section 182(4)—

(4A) The court may be satisfied of the matters referred to in subsection (1)(b) and (c) despite a defect or irregularity if the court is satisfied that the defect or irregularity has not caused and is not likely to cause substantial injustice.

(4B) In considering an objection to the application for the order, the court must consider whether the person who filed the objection did not file the objection in good faith, including because of a conflict of interest.

**[8] Sections 187A and 188**

Omit section 188. Insert instead—

**187A Disclosures of pecuniary or other interests**

(1) A member of the strata committee must disclose the nature of a relevant interest the member has at a meeting of the strata committee held under section 157.

(2) An owner of a lot must disclose the nature of a relevant interest the owner has at a general meeting of the owners corporation convened under section 158, 172 or 178.

(3) A member of the strata committee who has made a disclosure under subsection (1) must not, unless the committee otherwise decides—

- (a) be present during a deliberation about the strata renewal proposal, or
- (b) take part in a decision of the committee about the strata renewal proposal.

(4) The member must not—

- (a) be present during a deliberation about the making of a decision under subsection (3), or
- (b) take part in the decision.

(5) Particulars of a disclosure made under this section must be recorded in the minutes of the relevant meeting.

(6) A contravention of this section does not invalidate a decision of the strata committee or the owners corporation.

(7) The *Strata Schemes Management Act 2015*, Schedule 2, clause 18 does not apply in relation to a meeting held under section 157, 158, 172 or 178.

**188 Costs of proceedings**

(1) Unless the court otherwise orders—

- (a) the owners corporation must pay the reasonable costs of proceedings for an application for an order to give effect to a strata renewal plan incurred by a dissenting owner, and
  - (b) the owners corporation must not levy a contribution for a part of the costs of the proceedings on a dissenting owner.
- (2) If the court is satisfied a dissenting owner has a conflict of interest that makes it inappropriate, in the court's opinion, for the owners corporation to pay the owner's costs, the court must make an order requiring the owner to pay—
- (a) the owner's costs, and
  - (b) any contribution for a part of the costs of the proceedings levied on the owner.
- (3) The court may make a costs order against a dissenting owner if the court considers it appropriate to do so, including if the court considers the owner has not acted in good faith in failing to give, or withdrawing, a support notice.
- (4) The court may order that costs be assessed on the ordinary basis or an indemnity basis.
- (5) The regulations may prescribe other matters relating to the costs of proceedings for an application for an order to give effect to a strata renewal plan.

**[9] Schedule 2 Requirements for schedules of unit entitlement**

Insert at the end of clause 4—

- (2) For subclause 1(b)(i), each lot in the parcel that is not a subject of the proposed subdivision is not required to be valued if, in the qualified valuer's opinion—
- (a) the proposed subdivision involves only minor changes to common property, and
  - (b) the unit entitlement of each lot will not change as a result of the proposed subdivision.

## **Schedule 2      Amendment of Community Land Development Act 2021 No 6**

**[1]      Section 69 Making application for termination**

Insert “, but not more than 6 months,” after “days” in section 69(1).

**[2]      Section 69(1)(a)**

Omit “proposed termination”. Insert instead “scheme that is proposed to be terminated”.



## **Schedule 3      Amendment of Strata Schemes Management Act 2015 No 50**

### **[1] Section 4 Definitions**

Insert in alphabetical order in section 4(1)—

*assistance animal* has the same meaning as in the *Disability Discrimination Act 1992* of the Commonwealth, section 9(2).

*connected*, in relation to 2 or more persons—see section 7.

*real estate agent* has the same meaning as in the *Property and Stock Agents Act 2002*.

### **[2] Section 4(1), definition of “connected person”**

Omit the definition.

### **[3] Section 5 Resolutions of owners corporations**

Omit section 5(2). Insert instead—

(2) In determining a special resolution, the value of a vote for a lot is equal to the unit entitlement of the lot, subject to subsection (2A).

(2A) The value of a vote cast by an original owner of a strata scheme must be reduced by two-thirds if—

(a) the total unit entitlement of lots for which the original owner is entitled to a vote is at least half of the aggregate unit entitlement of the lots in the scheme, and

(b) the scheme comprises more than 2 lots.

### **[4] Section 16 Documents and records to be provided to owners corporation at first AGM**

Omit “, not later than 48 hours before its first annual general meeting, deliver to the owners corporation the following” from section 16(1).

Insert instead “deliver the following to the owners corporation at least 14 days before the first annual general meeting of the owners corporation”.

### **[5] Section 26 Restrictions on powers of owners corporation during initial period**

Omit section 26(1)(c). Insert instead—

(c) appoint for a period extending beyond the date of the first annual general meeting of the owners corporation—

(i) a strata managing agent, or

(ii) a building manager, or

(iii) another person to assist with the management, maintenance or repair of common property.

### **[6] Section 29 Owners corporation to appoint strata committee**

Omit section 29(3).

### **[7] Section 30 Members of strata committee**

Omit section 30(4). Insert instead—

(4) The members of a strata committee—

- (a) must be elected at each annual general meeting of the owners corporation, and
- (b) may be elected at another general meeting called to elect members of the committee.

**[8] Section 30(5) and (6)**

Omit the subsections.

**[9] Section 32 Persons who are not eligible to be appointed or elected to strata committee**

Omit “to a strata committee or to act as members of a strata committee unless they are also the owners of lots in the strata scheme” from section 32(1).

Insert instead “as a member of a strata committee, unless the person owns a lot in the strata scheme”.

**[10] Section 32(1)(b)**

Omit the paragraph. Insert instead—

- (b) a real estate agent carrying out functions in connection with the leasing of a lot in the strata scheme,

**[11] Section 32(1)(c)**

Omit “to act”.

**[12] Section 32(5)**

Insert after section 32(4)—

- (5) If the office of a member is vacated under section 35(1)(e), the person is not eligible for appointment or election as a member for the period of 12 months commencing on the day the resolution is passed.

**[13] Section 35 Vacation of office of elected member of strata committee**

Omit “in accordance with a special resolution” from section 35(1)(e).

Insert instead “by resolution at a general meeting”.

**[14] Section 35(3)**

Omit “special resolution that determines”. Insert instead “resolution”.

**[15] Section 50 Term of appointment of strata managing agents**

Insert “, but not more than 6 months,” after “3 months” in section 50(6)(a).

**[16] Section 76**

Omit the section. Insert instead—

**76 Use of administrative fund or capital works fund for purposes of other fund**

- (1) This section applies if the owners corporation of a strata scheme comprising more than 2 lots—
  - (a) transfers money from the administrative fund or capital works fund to the other fund, or
  - (b) pays money from the administrative fund or capital works fund for expenditure that should have been paid from the other fund.

- (2) The owners corporation must, within 3 months of the transfer or payment, determine, by resolution at a general meeting—
  - (a) whether the money, or part of the money, should be reimbursed to the fund from which it was transferred or paid, and
  - (b) if the owners corporation determines that part or all of the money should be reimbursed—the amount to be—
    - (i) transferred from the administrative fund or capital works fund to the fund from which the transfer or payment was made, or
    - (ii) levied as a contribution to the fund from which the transfer or payment was made.
- (3) Section 81(3) and (5) apply to a contribution determined under subsection (2)(b)(ii).

**[17] Section 83 Levying of contributions**

Omit section 83(3). Insert instead—

- (3) A contribution levied by an owners corporation becomes due and payable to the owners corporation on the date set out in the notice of the contribution.
- (3A) The date set out in the notice must be—
  - (a) for a contribution levied for the purpose of carrying out emergency repairs—at least 14 days after the day the notice is given, or
  - (b) otherwise—at least 30 days after the day the notice is given.

**[18] Section 83(5)**

Insert after section 83(4)—

- (5) In this section—

*emergency repairs* means urgent repairs to a building in the strata scheme that are necessary to mitigate a serious and imminent threat to the health or safety of the occupants.

**[19] Section 102**

Omit the section. Insert instead—

**102 Limits on spending by owners corporation**

- (1) An owners corporation must obtain at least 2 independent quotations for proposed expenditure for an item or matter that is more than the amount prescribed by the regulations for this section.
- (2) If the owners corporation is not able to comply with subsection (1), the secretary of the owners corporation must add an item to the agenda of the next general meeting of the owners corporation to note—
  - (a) the item or matter for which the quotations were required, and
  - (b) the reasons the owners corporation was unable to obtain the quotations.
- (3) An owners corporation for a large strata scheme must not spend more on an item or matter than the amount specified for the item or matter in the estimates prepared at an annual general meeting, plus 10%.
- (4) The owners corporation may, by resolution at a general meeting, remove the limitation imposed by subsection (3) generally or in relation to a single item or matter.

- (5) This section does not apply to expenditure for emergency purposes, including in relation to the following—
- (a) burst or blocked water or sewerage pipes,
  - (b) serious damage caused by a storm, fire or another natural disaster,
  - (c) unexpected electrical or security system failures,
  - (d) glass breakages that affect the security of a building in the strata scheme or could result in damage to the inside of the building.
- (6) In this section—  
*independent quotations* means quotations from persons who are not connected with each other.

**[20] Section 105A**

Insert after section 105—

**105A Bonds or fees relating to keeping of animals not payable**

An owners corporation must not require an owner or occupier of a lot to—

- (a) pay a bond or fee relating to the keeping of an animal on the lot, or
- (b) obtain insurance for an animal kept on the lot.

**[21] Section 139 Restrictions on by-laws**

Omit section 139(5) and (6).

**[22] Section 139A**

Insert after section 139—

**139A Restrictions on by-laws—assistance animals**

- (1) A by-law has no force or effect to the extent it would—
- (a) prohibit or restrict the keeping on a lot of an assistance animal used by an owner or occupier of the lot, or
  - (b) restrict, or impose an unreasonable burden on a person in relation to, the use of an assistance animal on a lot or common property.
- (2) A by-law may require a person who keeps an assistance animal on a lot to show the animal is an assistance animal by providing one of the following to the owners corporation—
- (a) evidence the animal holds an accreditation referred to in the *Disability Discrimination Act 1992* of the Commonwealth, section 9(2)(a) or (b),
  - (b) a statutory declaration verifying the animal has received the training referred to in the *Disability Discrimination Act 1992* of the Commonwealth, section 9(2)(c),
  - (c) other evidence prescribed by the regulations.

**[23] Section 141**

Omit the section. Insert instead—

**141 Changes to and consolidation of by-laws**

- (1) An owners corporation may, by special resolution, change the by-laws for the strata scheme.

**Note—** If the special resolution is a sustainability infrastructure resolution, fewer votes are needed to pass it. See section 5(1)(b).

- (2) The change to the by-laws has no effect until—
  - (a) the owners corporation lodges a notice, in the approved form, with the Registrar-General, and
  - (b) the Registrar-General makes an appropriate recording of the notice in the folio of the Register for the common property for the scheme.
- (3) The owners corporation must lodge the notice within 6 months of the day the special resolution is passed.
- (4) An owners corporation may, by special resolution, consolidate the by-laws for the scheme, whether or not a by-law is amended, repealed or added.
- (5) The written consent of the owners on whom a common property rights by-law confers rights or special privileges is not required to consolidate the by-laws for the scheme, if the consolidation does not involve the amendment, repeal or addition of a common property rights by-law.
- (6) The secretary of the owners corporation must keep a consolidated up-to-date copy of the by-laws for the scheme.

**[24] Section 146 Notice by owners corporation to owner or occupier**

Omit section 146(4). Insert instead—

- (4) Subsection (3) does not apply—
  - (a) to a strata scheme comprising 2 lots, or
  - (b) if the notice is given by a strata managing agent to whom that function has been delegated in accordance with this Act.

**[25] Section 176**

Omit the section. Insert instead—

**176 Form of records**

- (1) The strata roll and other records required to be made or kept by an owners corporation must be made or kept in electronic form.
- (2) Subsection (1) does not—
  - (a) apply to a record made or kept before the day that is 6 months after the commencement of the *Strata Legislation Amendment Act 2023*, or
  - (b) require a record made or kept before that day in a form other than electronic form to be reproduced in electronic form, or
  - (c) prevent an owners corporation from keeping duplicate records in a form other than electronic form.

**[26] Section 186**

Omit the section. Insert instead—

**186 Strata scheme information to be given to lessee**

- (1) A person who leases a lot or common property in a strata scheme (the *tenant*) must be given a copy of the following within 14 days after the tenant becomes entitled to possession—
  - (a) the by-laws for the strata scheme,
  - (b) a strata management statement affecting the lot or common property.

Maximum penalty—5 penalty units.

- (2) Subsection (1)(a) does not apply if the tenant has already been given a copy of the by-laws under the *Residential Tenancies Act 2010*, section 26(2A).
- (3) If a document referred to in subsection (1)(a) or (b) is changed, the tenant must be given a copy of the changed document within 14 days after the change takes effect.
- (4) A document required to be given to a tenant under this section must be given by—
  - (a) if the lessor leasing the lot or common property to the tenant is represented by a real estate agent in relation to the lease—the real estate agent, or
  - (b) otherwise—the lessor.
- (5) This section does not apply to a strata scheme that is part of a community scheme.
- (6) In this section—  
*lease* includes a sublease.

**[27] Section 237 Orders for appointment of strata managing agent**

Omit “Secretary or other” from section 237(4)(b). Insert instead “secretary or another”.

**[28] Section 237(8)(e)**

Insert after section 237(8)(d)—

- (e) the Secretary.

**[29] Section 258, heading**

Omit “of leases or subleases”.

**[30] Section 258(1)**

Omit “lessor”. Insert instead “relevant person”.

**[31] Section 258(1) and (3)**

Omit “, in accordance with this section,” wherever occurring.

**[32] Section 258(2)**

Omit the subsection. Insert instead—

- (2) If the relevant person fails to comply with subsection (1), the tenant may give notice of the lease to the owners corporation.

**[33] Section 258(3) and (4)(b)**

Omit “or sublease” wherever occurring.

**[34] Section 258(4)(c)**

Omit the paragraph. Insert instead—

- (c) the name of the real estate agent managing the lease, if applicable.

**[35] Section 258(7) and (8)**

Insert after section 258(6)—

- (7) The regulations may prescribe the documents or other evidence a tenant must provide in giving notice of a lease under this section.
- (8) In this section—
  - lease* includes a sublease.
  - relevant person* means—
    - (a) if the lessor leasing the lot to the tenant is represented by a real estate agent in relation to the lease—the real estate agent, or
    - (b) otherwise—the lessor.

**[36] Section 261 Address for service**

Insert “electronic address, including an” before “email”.

**[37] Section 262 Service of documents on an owners corporation**

Omit section 262(2)(c). Insert instead—

- (c) by sending it by electronic transmission to an address or location nominated for the service of documents by—
  - (i) the chairperson or secretary of the owners corporation, or
  - (ii) a member of the strata committee.

**[38] Section 263 Service of documents by owners corporation and others**

Insert “or location” after “address” wherever occurring in section 263(2)(c).

**[39] Section 263(3)(c)**

Omit the paragraph. Insert instead—

- (c) by sending it by electronic transmission to an address or location nominated by the person for the service of documents.

**[40] Section 263(4)(ca)**

Insert “or location” after “address” wherever occurring.

**[41] Section 264 Service of documents**

Omit section 264(1)(a)(iii). Insert instead—

- (iii) sending it by electronic transmission to an address or location nominated by the person for the service of documents, or

**[42] Section 264(1)(b)(ii)**

Omit the subparagraph. Insert instead—

- (ii) sending it by electronic transmission to an address or location nominated by the body corporate for the service of documents.

**[43] Section 271 Regulations**

Omit section 271(2)(m). Insert instead—

- (m) the service of documents, including by prescribing additional methods of service for documents that are authorised or required by this Act or the regulations to be given to a person,

**[44] Schedule 1 Meeting procedures of owners corporation**

Omit clause 5. Insert instead—

**5 Nomination of strata committee candidates for election at meeting**

- (1) The written notice of an annual general meeting, or a general meeting called to elect members of a strata committee, must include a call for nominations for members of the strata committee.
- (2) The following persons may nominate a person for election as a member of the strata committee—
  - (a) an owner,
  - (b) a person entitled to vote at a general meeting of the owners corporation.
- (3) A person referred to in subclause (2)(a) or (b) may make a nomination even if the person cannot vote because the person or another person is an unfinancial owner.
- (4) A person must not be nominated for election without the person's consent.
- (5) A nomination may be made—
  - (a) in writing before the election is held, or
  - (b) orally at the meeting at which the election is held.
- (6) A written nomination must be given to—
  - (a) if the election is held at the first annual general meeting—the convenor of the meeting, or
  - (b) otherwise—the secretary of the owners corporation.
- (7) A written nomination must state—
  - (a) the name of the person nominated, and
  - (b) the name of the person making the nomination, and
  - (c) that the person nominated consents to the nomination.
- (8) The convenor or secretary must—
  - (a) include all nominations already made in the notice of the meeting at which the election is held, and
  - (b) give notice of subsequent nominations at the meeting.

**[45] Schedule 1, clause 7(2)–(4)**

Omit the subclauses. Insert instead—

- (2) Written notice of a meeting must be given to—
  - (a) each owner, and
  - (b) each person entitled to cast a priority vote in relation to an item on the agenda.

**Note—** A priority vote may be cast in the circumstances set out in clause 24.
- (3) The notice must be given—
  - (a) if the meeting is an annual general meeting—at least 14 days before the meeting, or
  - (b) otherwise—at least 7 days before the meeting.
- (4) If the giver and receiver of a notice would be the same person, the notice is not required to be given to the person under this part.

**[46] Schedule 1, clause 11(1)**

Omit the subclause. Insert instead—



- (1) A copy of the agenda for a meeting must, within the relevant period specified in clause 7(3) for the giving of a notice—
  - (a) be given to each tenant who has been notified to the owners corporation as a tenant of a lot in accordance with this Act, or
  - (b) be put on prominent display on a notice board required to be maintained on a part of the common property under the by-laws.

**[47] Schedule 1, clause 14**

Omit “if the total unit entitlement of lots of the original owner is not less than half of the aggregate unit entitlement, the value of the vote in respect of the lots held by the original owner is taken to be reduced by two-thirds (ignoring any fraction)” from clause 14(2).

Insert instead “the value of a vote cast by an original owner must be calculated in the same way as for a special resolution”.

**[48] Schedule 1, clause 25A**

Insert after clause 25—

**25A Voting limits for company nominees and persons acting under power of attorney**

- (1) Either of the following may exercise voting rights at a general meeting of the owners corporation on behalf of the owner of a lot—
  - (a) for an owner that is a corporation—a company nominee,
  - (b) a person acting under a power of attorney, if authorised by the power of attorney.
- (2) A company nominee, or a person acting under a power of attorney, may exercise voting rights on behalf of not more than—
  - (a) if the strata scheme has not more than 20 lots—1 owner, or
  - (b) if the strata scheme has more than 20 lots—5% of the total number of lot owners.
- (3) For subclause (2), a power of attorney authorising a person to exercise voting rights on behalf of an owner who is a member of the person’s family must not be taken into account.

**[49] Schedule 2 Meeting procedures of strata committees**

Omit “, unless the strata committee otherwise determines” from clause 18(4).

**[50] Schedule 2, clause 18(5)**

Omit the subclause.

**[51] Schedule 3 Savings, transitional and other provisions**

Omit clause 4(2). Insert instead—

- (2) A by-law continued in force by this Act is taken to be a valid by-law if—
  - (a) the by-law was a valid by-law immediately before this clause commenced, and
  - (b) the by-law does not contravene this Act.

## **Schedule 4      Amendment of Community Land Management Act 2021 No 7**

**[1]      Section 14 Documents and records to be provided to association at first AGM**

Omit “to the association at its first annual general meeting, or not later than 3 years after the date of registration of the scheme, whichever occurs first, the following” from section 14(1).

Insert instead “the following to the association at least 14 days before the first annual general meeting of the association, or within 3 years after the scheme is registered, whichever is earlier”.

**[2]      Section 25 Restriction on powers of associations during initial period**

Insert after section 25(d)—

- (e) appoint for a period extending beyond the date of the first annual general meeting of the association—
  - (i) a managing agent, or
  - (ii) a facilities manager, or
  - (iii) another person to assist with the management, maintenance or repair of association property.

**[3]      Section 30 Association to appoint committee**

Insert “annual” after “first” in section 30(2).

**[4]      Section 31 Committee for association with 3 members or fewer**

Omit section 31(4).

**[5]      Section 32 Committee for association with more than 3 members**

Omit “corporation” from section 32(1). Insert instead “association”.

**[6]      Section 32(1)(b)**

Omit “exceed 9”. Insert instead “be more than 15”.

**[7]      Section 32(2)**

Omit the subsection. Insert instead—

- (2) The members of the association committee—
  - (a) must be elected at—
    - (i) the first annual general meeting of the association, and
    - (ii) each subsequent annual general meeting, and
  - (b) may be elected at another general meeting called to elect members of the committee.

**[8]      Section 32(3)**

Omit “special general meeting called for the purpose”.

Insert instead “general meeting called to elect members”.

**[9]      Section 32(4) and (5)**

Omit the subsections.

**[10] Section 35 Persons who are not eligible to be elected to association committee**

Omit section 35(1)(c). Insert instead—

- (c) a real estate agent carrying out functions in connection with the leasing of a lot in the association scheme or a subsidiary scheme,

**[11] Section 35(5)**

Insert after section 35(4)—

- (5) If the office of a member is vacated under section 38(1)(h) or 39(1)(f), the person is not eligible for appointment, nomination or election as a member for the period of 12 months commencing on the day the resolution is passed.

**[12] Section 38 Vacation of office of elected member of community committee or precinct committee**

Omit “in accordance with a special resolution” from section 38(1)(h).

Insert instead “by resolution at a general meeting”.

**[13] Section 38(4)**

Omit “special resolution that determines”. Insert instead “resolution”.

**[14] Section 39 Vacation of office of elected member of neighbourhood committee**

Omit “in accordance with a special resolution” from section 39(1)(f).

Insert instead “by resolution at a general meeting”.

**[15] Section 39(4)**

Omit “special resolution that determines”. Insert instead “resolution”.

**[16] Section 54 Term of appointment of managing agents**

Insert “, but not more than 6 months,” after “3 months” in section 54(6)(a).

**[17] Section 80**

Omit the section. Insert instead—

**80 Use of administrative fund or capital works fund for purposes of other fund**

- (1) This section applies if an association—
  - (a) transfers money from the administrative fund or capital works fund to the other fund, or
  - (b) pays money from the administrative fund or capital works fund for expenditure that should have been paid from the other fund.
- (2) The association must, within 3 months of the transfer or payment, determine, by resolution at a general meeting—
  - (a) whether the money, or part of the money, should be reimbursed to the fund from which it was transferred or paid, and
  - (b) if the association determines that part or all of the money should be reimbursed—the amount to be—
    - (i) transferred from the administrative fund or capital works fund to the fund from which the transfer or payment was made, or
    - (ii) levied as a contribution to the fund from which the transfer or payment was made.

- (3) Section 84(3) and (5) apply to a contribution determined under subsection (2)(b)(ii).

**[18] Section 88 Levying of contributions**

Omit section 88(3). Insert instead—

- (3) The date set out in the notice must be—
- (a) for a contribution levied for the purpose of carrying out emergency repairs—at least 14 days after the day the notice is given, or
  - (b) otherwise—at least 30 days after the day the notice is given.

**[19] Section 88(6)**

Insert after section 88(5)—

- (6) In this section—
- emergency repairs* means urgent repairs to a building on association property that are necessary to mitigate a serious and imminent threat to the health or safety of the occupants.

**[20] Section 90 Interests, discounts on contributions and payment plans**

Omit “owners corporation” from section 90(6). Insert instead “association”.

**[21] Section 105A**

Insert after section 105—

**105A Limits on spending by association**

- (1) An association must obtain at least 2 independent quotations for proposed expenditure for an item or matter that is more than the amount prescribed by the regulations for this section.
- (2) If the association is not able to comply with subsection (1), the secretary of the association must add an item to the agenda of the next general meeting of the association to note—
- (a) the item or matter the quotations were required for, and
  - (b) the reasons the association was unable to obtain more than 1 quotation.
- (3) This section does not apply to expenditure for emergency purposes, including in relation to the following—
- (a) burst or blocked water or sewerage pipes,
  - (b) serious damage caused by a storm, fire or another natural disaster,
  - (c) unexpected electrical or security system failures,
  - (d) glass breakages that affect the security of a building on association property or could result in damage to the inside of the building.
- (4) In this section—
- independent quotations* means quotations from persons who are not connected with each other.

**[22] Section 108A**

Insert after section 108—

**108A Bonds or fees relating to keeping of animals not payable**

An association must not require an owner or occupier of a lot in the scheme to—

- (a) pay a bond or fee relating to the keeping of an animal on the lot, or
- (b) obtain insurance for an animal kept on the lot.

**[23] Section 129A**

Insert after section 129—

**129A Keeping of animals**

- (1) Each of the following has no force or effect to the extent it would unreasonably prohibit the keeping of an animal on a lot in the scheme—
  - (a) a by-law,
  - (b) a decision of an association made under a by-law.
- (2) It is taken to be reasonable to keep an animal on a lot unless the keeping of the animal unreasonably interferes with another occupant's use and enjoyment of the occupant's lot or association property.
- (3) The regulations may specify circumstances in which the keeping of an animal unreasonably interferes with another occupant's use and enjoyment of the occupant's lot or association property.
- (4) A by-law prohibiting the keeping of an animal on a lot is not harsh, unconscionable or oppressive if it does not unreasonably prohibit the keeping of an animal on a lot.

**Note—** Section 140(2) provides that the Tribunal may revoke part of a management statement if the Tribunal is of the opinion that it contains a by-law that is harsh, unconscionable or oppressive.

- (5) An association is taken to have given permission for the keeping of an animal on a lot if—
  - (a) the association made a decision about the keeping of the animal in contravention of subsection (1)(b), or
  - (b) a decision of the association is required before the animal may be kept on the lot and the association failed to make a decision within a reasonable time.

**[24] Section 130 Restrictions on by-laws for association schemes**

Omit section 130(6) and (7).

**[25] Section 130A**

Insert after section 130—

**130A Restrictions on by-laws—assistance animals**

- (1) A by-law of an association scheme has no force or effect to the extent it would—
  - (a) prohibit or restrict the keeping on a lot of an assistance animal used by an owner or occupier of the lot, or
  - (b) restrict, or impose an unreasonable burden on a person in relation to, the use of an assistance animal on a lot or association property.

- (2) A by-law of an association scheme may require a person who keeps an assistance animal on a lot to show the animal is an assistance animal by providing one of the following to the association—
- (a) evidence the animal holds an accreditation referred to in the *Disability Discrimination Act 1992* of the Commonwealth, section 9(2)(a) or (b),
  - (b) a statutory declaration verifying the animal has received the training referred to in the *Disability Discrimination Act 1992* of the Commonwealth, section 9(2)(c),
  - (c) other evidence prescribed by the regulations.
- (3) In this section—  
*assistance animal* has the same meaning as in the *Disability Discrimination Act 1992* of the Commonwealth, section 9(2).

**[26] Section 131 Procedure for amending management statement**

Omit “common” from section 131(3)(b). Insert instead “association”.

**[27] Section 133, heading**

Omit the heading. Insert instead—

**133 Management statement to be given to lessee**

**[28] Section 133(2)**

Omit “A lessor of land must ensure the copy of the lease submitted for execution by the lessor”.

Insert instead “The relevant person must ensure the copy of the lease submitted for execution by the lessee”.

**[29] Section 133(3)**

Omit “lessor”. Insert instead “relevant person”.

**[30] Section 133(6), definition of “relevant person”**

Insert in alphabetical order—

*relevant person* means—

- (a) if the lessor leasing the land to the tenant is represented by a real estate agent in relation to the lease—the real estate agent, or
- (b) otherwise—the lessor.

**[31] Section 164**

Omit the section. Insert instead—

**164 Form of records**

- (1) The association roll and other records required to be made or kept by an association must be made or kept in electronic form.
- (2) Subsection (1) does not—
  - (a) apply to a record made or kept before the day that is 6 months after the commencement of the *Strata Legislation Amendment Act 2023*, or
  - (b) require a record made or kept before that day in a form other than electronic form to be reproduced in electronic form, or

- (c) prevent an association from keeping duplicate records in a form other than electronic form.

**[32] Section 166, heading**

Omit “for community associations and precinct associations”.

**[33] Section 166**

Omit “Australian” wherever occurring in section 166(2)(a) and (c) and (3)(b).

**[34] Section 196 Orders for appointment of managing agent**

Omit “Secretary, an” from section 196(4)(b). Insert instead “secretary or another”.

**[35] Section 196(8)(e)**

Insert at the end of section 196(8)(d)—

, or

- (e) the Secretary.

**[36] Section 219, heading**

Insert “to association” after “given”.

**[37] Section 219(1)**

Omit “lessor”. Insert instead “relevant person”.

**[38] Section 219(1) and (3)**

Omit “, in accordance with this section,” wherever occurring.

**[39] Section 219(2)**

Omit the subsection. Insert instead—

- (2) If the relevant person fails to comply with subsection (1), the tenant may give notice of the lease to the association.

**[40] Section 219(3) and (4)(b)**

Omit “or sublease” wherever occurring.

**[41] Section 219(4)(c)**

Omit the paragraph. Insert instead—

- (c) the name of the real estate agent managing the lease, if applicable.

**[42] Section 219(6) and (7)**

Insert after section 219(5)—

- (6) The regulations may prescribe the documents or other evidence a tenant must provide in giving notice of a lease under this section.
- (7) In this section—
  - lease* includes a sublease.
  - relevant person* means—
    - (a) if the lessor leasing the lot to the tenant is represented by a real estate agent in relation to the lease—the real estate agent, or
    - (b) otherwise—the lessor.

**[43] Section 224 Address for service**

Insert “electronic address, including an” before “email” in section 224(2).

**[44] Section 225 Service of documents on association**

Omit section 225(2)(c). Insert instead—

- (c) by sending it by electronic transmission to an address or location nominated for the service of documents by—
  - (i) the chairperson or secretary of the association, or
  - (ii) a member of the association committee.

**[45] Section 226 Service of documents by certain persons**

Insert “or location” after “address” wherever occurring in section 226(2)(c).

**[46] Section 226(3)(b)**

Omit the paragraph. Insert instead—

- (b) by sending it by electronic transmission to an address or location nominated by the person for the service of documents.

**[47] Section 226(4)(ca)**

Insert “or location” after “address” wherever occurring.

**[48] Section 227 Service of documents**

Omit section 227(1)(a)(iii). Insert instead—

- (iii) sending it by electronic transmission to an address or location nominated by the person for the service of documents, or

**[49] Section 227(1)(b)(ii)**

Omit the subparagraph. Insert instead—

- (ii) sending it by electronic transmission to an address or location nominated by the body corporate for the service of documents.

**[50] Section 233 Regulations**

Omit section 233(2)(h). Insert instead—

- (h) the service of documents, including by prescribing additional methods of service for documents that are authorised or required by this Act or the regulations to be given to a person,

**[51] Schedule 1 Meeting procedures of associations**

Omit clause 4. Insert instead—

**4 Nomination of association committee candidates for election at meeting**

- (1) The written notice of an annual general meeting, or a general meeting called to elect members of an association committee, must include a call for nominations for members of the association committee.
- (2) The following persons may nominate a person for election as a member of the association committee—
  - (a) a member,
  - (b) a person entitled to vote at a general meeting of the association.



- (3) A person referred to in subclause (2)(a) or (b) may make a nomination even if the person cannot vote because the person or another person is an unfinancial member.
- (4) A person must not be nominated for election without the person's consent.
- (5) A nomination may be made—
  - (a) in writing before the election is held, or
  - (b) orally at the meeting at which the election is held.
- (6) A written nomination must be given to—
  - (a) if the election is held at the first annual general meeting—the convenor of the meeting, or
  - (b) otherwise—the secretary of the association.
- (7) A written nomination must state—
  - (a) the name of the person nominated, and
  - (b) the name of the person making the nomination, and
  - (c) that the person nominated consents to the nomination.
- (8) The convenor or secretary must—
  - (a) include all nominations already made in the notice of the meeting at which the election is held, and
  - (b) give notice of subsequent nominations at the meeting.

**[52] Schedule 1, clause 6(3)**

Omit the subclause. Insert instead—

- (3) The notice of a general meeting of the association must be given—
  - (a) for a community association that includes a precinct scheme—at least 21 days before the meeting, or
  - (b) for other community associations or a precinct association—at least 14 days before the meeting, or
  - (c) for a neighbourhood association—
    - (i) for an annual general meeting—at least 14 days before the meeting, or
    - (ii) for a general meeting that is not an annual general meeting—at least 7 days before the meeting.

**[53] Schedule 1, clause 6(5)**

Omit the subclause. Insert instead—

- (5) If the giver and receiver of a notice would be the same person, the notice is not required to be given to the person under this part.

**[54] Schedule 1, clause 10(1)**

Omit the subclause. Insert instead—

- (1) A copy of the agenda for a meeting must be given to each tenant who has been notified to the association as a tenant of a lot in accordance with this Act within the relevant period specified in clause 6(3) for the giving of a notice.

**[55] Schedule 1, clause 24A**

Insert after clause 24—

**24A Voting limits for company nominees and persons acting under power of attorney**

- (1) Either of the following may exercise voting rights at a general meeting of the association on behalf of the owner of one or more development lots or neighbourhood lots—
  - (a) in the case of an owner that is a corporation—a company nominee,
  - (b) a person acting under a power of attorney, if authorised by the power of attorney.
- (2) A company nominee, or a person acting under a power of attorney, may exercise voting rights on behalf of not more than—
  - (a) if the scheme has not more than 20 development lots or neighbourhood lots—1 owner, or
  - (b) if the scheme has more than 20 development lots or neighbourhood lots—5% of the total number of lot owners.
- (3) For subclause (2), a power of attorney that authorises a person to exercise voting rights on behalf of an owner who is a member of the person’s family is not to be taken into account.

**[56] Schedule 2 Meeting procedures of association committees**

Omit “, unless the association committee otherwise determines” from clause 16(4).

**[57] Schedule 2, clause 16(5)**

Omit the subclause.

**[58] Schedule 3 Savings, transitional and other provisions**

Omit clause 4(2). Insert instead—

- (2) A by-law continued in force by this Act is taken to be a valid by-law if—
  - (a) the by-law was a valid by-law immediately before section 128 commenced, and
  - (b) the by-law does not contravene this Act.

**[59] Dictionary**

Omit the definition of *connected person*. Insert in alphabetical order—

*connected*, in relation to 2 or more persons—see section 6.

*real estate agent* has the same meaning as in the *Property and Stock Agents Act 2002*.

## **Schedule 5 Amendment of other legislation**

### **5.1 Strata Schemes Management Regulation 2016**

**[1] Clause 25**

Omit the clause. Insert instead—

**25 Limits on spending by owners corporations**

For the Act, section 102(1), the prescribed amount is \$30,000.

**[2] Clause 68A Service of documents or information—the Act, s 271(2)(m)**

Omit the clause.

**[3] Schedule 5 Penalty notice offences**

Insert in appropriate order under the heading “**Offences under the Act**”—

Section 186(1) and (2)

\$110 for an individual or \$220 for a corporation

**[4] Schedule 5**

Omit “Section 258” from Column 1. Insert instead “Section 258(1), (2) and (3)”.

### **5.2 Community Land Management Regulation 2021**

**[1] Section 23A**

Insert after section 23—

**23A Limits on spending by associations**

For the Act, section 105A(1), the prescribed amount is \$30,000.

**[2] Schedule 2 Penalty notice offences**

Omit “\$220” from the matters relating to section 148 and section 209(4), Column 2.

Insert instead “—”.