

HOA Legislative Reform 2021: What to expect

The 2021 Legislative Session will see HOA Bills submitted on the following issues:

Out of Court Binding Dispute Resolution

HOA Election Reform

Expanding HOA Registration Requirements to include downloading all HOA governing documents and all documents required when selling a home into a State database

Signs, flags in HOAs

There most likely will be some other very minor, narrow issue Bills proposed which we are not aware of. How these Bills in progress end up addressing the above issues can range from totally watered down to make them basically ineffective to game-changers for homeowner's rights and promoting HOA governance. The last legislative session began with a bang with a Bill to implement changes from the HOA Office Sunset Bill only to end with a bust in accomplishing not one thing. The 2020 session also saw a Bill that was promoting a State HOA database that could have effectively ended HOA home sale transfer fees and saved homeowners upwards of \$15 million a year but the lobbyist from the property management industry killed it. We have only slight expectations for effective legislation being passed but will continue our involvement as we can in supporting the sponsor(s) of any Bill(s) that would actually help homeowners.

HOA Property Manager (PM) Licensing (Community Association Manager (CAM) Licensing)

There is a current Sunrise initiative in progress that most likely will result in a recommendation (suggested Bill) to license HOA PMs. We have submitted and are working with the State on our proposal that will strengthen the previous licensing law, open up the profession to more small businesses, make fees commensurate with the scope of work taken on by the HOA PM, close loopholes that allowed PMs to hide behind the argument that they only do what the HOA Board instructs them to do and would require all PM fees assessed homeowners be documented on a detailed invoice, justified based on work completed that is not already paid for by homeowners with HOA dues and ensure more transparency on PM involvement in contracting and contract oversight fees. The property management industry will be fighting to kill any accountability of their profession in any Bill. This Bill should come out late this year.

