

[HB 16-1133 Opposition Opposed to Meaningful Fees Disclosure and Small Business Relief](#)

[HB 16-1133](#), HOA Manager Professional Responsibility and Disclosure, will be considered in the 2016 legislative session. It will propose modifications to the HOA Property Manager Licensing Bill and will again surface the obstructive efforts by the Community Association Institute (CAI) in HOA and HOA Community Association Manager (CAMs) Licensing reform. The CAI represents property managers and HOA lawyers not home owners or HOAs.

Up front in this Bill: Adds no additional regulation or government reporting requirements, no new taxpayer contributions to implement, no new fees or burdens to business, does not preclude CAMs from charging any justified fee, and doesn't interfere with CAM or HOA operations.

In this Bill: 1) direct and definitive statements addressing requirements that CAMs comply with State HOA law and HOA governing documents 2) defines requirements for full disclosure of CAM fees and in particular for HOA Transfer Fees and addresses the problems of excessive fees and duplicate (and triplicate) charging for services already paid for with HOA dues 3) requires CAMs to provide a detailed hardcopy receipt for all fees assessed home owners 4) provides financial relief for the smallest HOA CAMs in reduced fees and educational requirements but still requires they be licensed 6) requires DORA to provide improved transparency and functionality on their web site concerning CAM information and violations.

CAI opposition declaring "no changes are need", "it's all in the existing law", and "it will cost too much" are addressed below. These are declarations not substantive arguments and please consider the facts not empty statements

The CAI will oppose requirements to justify the CAM HOA Transfer Fee and other CAM billings. This Bill doesn't limit the amount of any fee or preclude charging any fee but requires explaining, justifying, and receipting any fee: this is not in the law. The law allows for any fee to be considered full disclosed with a one liner in an HOA contract or on home closing documents. CAM Transfer Fees are charged to sellers upon the sale of a home. The CAI contends it represents expenses not compensated to the CAM. The Bill would not preclude charging home owners for unreimbursed expenses but addresses the current in need of reform practices with this fee via real full disclosure. Specifically, what other business can bill a home owner and not provide justification based on work performed, not provide a detailed receipt, bill any amount with no questions asked, leave the consumer with no means to contest the bill or its' amount, no requirement to comply with State restrictions of billing under the law, allow duplicate billing of the home owner (and even triplicate) for services already paid for with HOA dues, and if the home owner doesn't pay can't close on their home? The answer is easy: NONE. The CAM licensing Bill was supposed to specifically define requirements on justification, legality, and documentation and it didn't thus ensuring this questionable CAM billing practices would continue. The transparency and real disclosure in this Bill will not interfere with any collection of a CAM fee as long as justified and legal.

The fight for financial relief for small CAMs in this Bill was not supported by the CAI in the last legislative session. The cost of a license for small CAMs can equal a year's income: it's abusive and burdensome and resulted in some quitting the business. Previous misinformation spread was that the goal was to exempt small CAMs from being licensed: not true, never in any proposal but believed by too many. This Bill provides relief to small businesses with reduced fees and educational requirements commensurate with knowledge to legally and competently service small HOAs of 30 or less units. Educational providers are able to offer small HOA CAM courses at a reduced cost. Costs for DORA to implement should be covered in the same manner as completed when the total licensing law was implemented.

This Bill contains specifics on actions and requirements for CAM compliance with State law and HOA governing documents that are now ambiguous in the law. Of importance is the requirement for a CAM to notify the HOA Board if they are in non-compliance with the law, suggest a corrective action, and if the Board continues their actions report the event to DORA. This documents the event for potential home owner action and also protects the CAM from a complaint that they were complicit.

HB 16-1133 defines accountability, transparency, and fairness that are lacking in the law and required for enforcement. Let's improve the CAM licensing law without costs to taxpayers and more regulations. Let's provide relief to small businesses and get meaningful disclosure of CAM fees to home owners that are all lacking in the law.

