

The Colorado HOA Forum, the State's largest and most recognized HOA home owners advocacy organization, supports the recommendations in the Sunset Review of the State's HOA Information and Resource Center with an expanded role for consumer focus and benefit to the public:

1. The recommendation in the Sunset Report for a dispute resolution process within the State HOA **Office will not cost HOAs, home owners or businesses one net cent to implement; not require any taxpayer funds to implement; not sacrifice any home owner's rights to a court case; and not require any new bureaucracy.** Cost to implement is no more than about ninety cents per household per year with resulting cost savings to HOAs and home owners in legal costs in the millions. The non-quantifiable benefit of this process is to make all Colorado State HOA laws and HOA governing documents that lack any means of affordable and accessible enforcement effective immediately and rather than homeowners not pursuing their rights they can rely on such laws for homeowner's rights.
2. We strongly suggest improving this Office's HOA registration process within any Bill crafted in support of the Review to require HOAs to download all governing documents required in home closing to a State data repository. In other words, expand the information required and maintained under the current registration process. This will not add to HOA expenses, require taxpayer funds to implement and will make valuable information available to home owners, buyers, Realtors, housing authorities and others for analysis and to provide home sellers an alternative to completing home closing documentation tasks that will result in cost savings of millions of dollars (this is easily documented and quantifiable). The cost to implement a data repository can be completed through a one-time assessment of 30-35 cents per household and about ten to fifteen cents per year thereafter rendering millions in savings to households in hard savings and greatly improving HOA information services to the public. Refer to our document on this topic posted on our web site, click on Dispute Resolution icon on home page.
3. We support retaining all capabilities and services currently provided by this Office and expanding its' authority to receive, review, **investigate and render decisions on home owner complaints concerning HOA violations of State HOA law and HOA governing documents.**
4. Model the dispute resolution process after the property manager complaint process and HB 19-1309 related to a complaint process for mobile home park residents. Both these dispute resolution processes are kept under and within the administration of the State making this an easy to understand, affordable, accessible and expeditious process and allow for proper and easier oversight by DORA by eliminating the need for coordination with outside parties. This dispute resolution process and human resources and equipment involved should be under the direct management of the State HOA Office and not comingled with DORA regulatory systems: this is not a regulated industry/profession, this is not involved in license issuance, HOAs are a special interest and serve the interest of an identified segment of the public.
5. Disregard any requirements for home owners to complete costly, \$300-500, mandatory mediation that not only adds cost, time and litigation but adds little to gaining enforceable decisions on complaints. Mediation has been in the law for 25 years and still the HOA Office has received thousands of complaints in the past few years. Mediation is a process of uncertainty and no guarantee of enforceable outcome and homeowners simply don't have the time or money for that process but with most complaints being simple will greatly benefit with the State managed complaint process. Also, there are no certification or credential requirements to become a mediator, none are certified in knowledge of HOA law, and in order for the State to confirm and approve of mediators and to manage their activities would make this dispute resolution process too costly. Also, using outside mediators would result in inconsistencies in methodology to conduct and reach agreements that otherwise could be more controlled if conducted within and under State supervision.

6. Home owners should have to show intent to resolve problems with the HOA prior to filing with the State and be provided with easy to follow instructions on what evidence is required to support any complaint and guidance on how to develop it.
7. Suggest a \$50-75 filing fee to mitigate the number of frivolous complaints. This fee is less than that of some other states and no home owner would object as it is better than shelling out \$300-500+ for a hope and prayer on mediation settlement or thousands for a court case. Losing party in a complaint can be assessed filing fee.
8. Home owners still be provided the option of going to court or using this system.
9. Dispute resolution should only involve violations of State HOA law and HOA governing documents and not address felonies or recovery of financial loss: 95% of complaints.
10. This process should be clear to homeowners that it doesn't involve complaints with HOA property management companies.
11. Include in the registration process a certification that all Board members have read and understand their own governing documents.
12. Permit the use of registration revenue to fund media advertising aimed at notifying the public of the existence and mission of this Office. Our organization has been the primary means of educating the public about this Office.

\*\*\*Detailed studies on implementing a dispute resolution process within the State HOA Office and a State data repository are available on the Colorado HOA Forum's web site [coloradohoaforum.com](http://coloradohoaforum.com), click on the Dispute Resolution icon on the home page. In particular view [our document on refuting past and inaccurate claims used to defeat similar proposals](#), [a brief numeric presentation on costs to implement](#) and a [narrative on justifying and how to implement this program](#).

The Colorado HOA Forum is a pro-HOA organization striving to improve HOA governance through legislative reform.