

State HOA Office Requires Public Notice and Enforcement Authority

Colorado has a State HOA Office but you would never know it. The Office was created over two years ago with little fanfare and notice to the public. The original efforts in creating the Office were to provide oversight of HOA communities, some enforcement of HOA laws, and to provide a comprehensive repository of State HOA information. Unfortunately, the Office was never granted any oversight or enforcement authority thus only serving as an administrative entity. To date the Office has provided a valuable service to home owners (those who know about it) by posting on its' web site a very comprehensive library of HOA laws and guidelines and educational sources; conducting community HOA informational meetings; collecting, compiling, and reporting on the status of HOA housing in the State; administering an HOA registration program; and developing an HOA complaint filing system that has catalogued thousands of complaints/inquiries and surfaced major problems in HOA governance and in enforcement of HOA home owner's rights. Note, the Office can't advise home owners on legal rights, provide legal opinions on the validity of any complaint, get involved in problem resolution, or provide any referrals to legal counsel.

The importance of this Office can be greatly enhanced and justified by granting it enforcement authority through implementing an out of court binding dispute resolution process. This would allow home owner's complaints currently filed with the Office to be acted upon: vetted for referral to an out of court entity that would hear disputes and render an enforceable decision. This process would be accessible to all home owners, affordable, efficient, and not require a lawyer on the most simple HOA issues related to non-compliance with the law. Home owners could still choose to go to court vs using this process. Currently, HOA laws and HOA governing documents lack enforcement provisions from the home owner's perspective other than our costly, time consuming, and litigious court system. This process could be managed by the State HOA Office with no cost to taxpayers: paid for with HOA registration fees and/or complaint filing fees. Note, much of the infrastructure such as staffing, a web site, complaint filing and review are already in place and paid for via HOA registration fees. DORA, the State Agency that would implement this system, already has similar systems in place for HOA property manager complaints and other regulated professions making implementation familiar territory for DORA. A State Study has been completed and supports the implementation of an out of court binding dispute resolution process and only awaits legislative sponsorship of a Bill to implement. Empowering the Office with enforcement authority would immediately make our current HOA laws and HOA governing documents that are ineffective from the home owner's perspective highly effective.