

Legislative Update



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Since the Legislative Action Committee first convened in January, there has been tremendous progress in the initiatives which the LAC conceived at its first meeting. An interesting observation is that the commitment of the members of the LAC has gone well beyond attendance of regularly scheduled monthly meetings to dedicated efforts between meetings.

Tim Martin of MBI*Gluck Shaw, CAI's lobbying firm, has been instrumental in arranging meetings among key legislators and LAC members, securing the cooperation of the Office of Legislative Services in the drafting of bills, and personally attending meetings and working on drafts of proposed legislation. Much of the LAC's efforts revolve around Tim.

Municipal Services Act

Since the Municipal Services Act was adopted in 1989, community associations have experienced varying degrees of success in gaining the cooperation of municipalities with the law, especially while communities are still in the process of being developed. Some municipalities still express reluctance in entering into an agreement that complies with the MSA.

The LAC's Subcommittee on Municipal Services has met and discussed several issues encountered by community associations. Some of the issues arise out of the disparate treatment between completed communities and those still under construction. There are also a number of facilities and improvements serving planned communities which were not fully addressed when the MSA was passed into law, such as sewage pump stations, and detention basins, as well as fire hydrants.

The LAC is considering the recommendations of the Subcommittee and the best means to advance its members' interests.

Managers Licensing Task Force

In light of Governor Christie's veto of the manager licensing bill last year, the LAC has reconvened the Manager Licensing Task Force for its input. The vast difference in the costs projected by the NJ. Department of Community Affairs and by CAI-NJ for manager licensing was a key reason the bill was vetoed.

A meeting of the Task Force was held with Dawn Bauman, Senior Vice President, Government Affairs of CAI National, participating. Dawn has a wealth of knowledge and experience from working with community associations in other States. She will assist the Task Force in evaluating manager licensing laws adopted in other States, including the educational requirements and the related costs. The LAC will determine whether CAI-NJ's members will be best served by manager licensing or an alternative, such as a certification or registration process, should the licensing process be cost-prohibitive.

Subcommittee on Mortgage Foreclosure Reform

The LAC's Subcommittee on Mortgage Foreclosure Reform has been working with Assemblyman Garcia on Assembly Bill A3793, and with Senator Rice on companion Senate Bill A2545. The amendments sought by the LAC include the ability of community associations to get a receiver appointed for units which have been abandoned. The goal is for the receivers to have the right to lease the units so that associations may apply the rent to satisfy the common expenses due from the owner for the unit.

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A-3630 Notification of Next of Kin

Assembly Bill A-3630, requiring that next-of-kin of a resident of a senior housing facility be notified in the event of the death of a senior citizen, has been introduced by Assemblywoman Grace Spencer. As introduced, the bill defines "senior citizen" as a person 55 years of age or older. A "senior housing facility" is defined to include most condominiums and other planned communities governed by associations. While the bill is well-intentioned, the LAC would like to discuss with Assemblywoman Spencer the concerns the bill poses for community associations.

Common Interest Community Reform

Bills proposed last year drew the LAC's attention to the need for reform in the way community associations conducted its affairs. Senate Bill S-1938, and its companion Assembly Bill A469, as well as other bills, were intended to respond to problems, such as the manner in which meetings and elections are conducted, the interpretation of governing documents, and the hiring of personnel. The LAC began an initiative, which it sometimes refers to as its "Common Interest Community Reform" to begin a legislative dialogue.

The first bill drafted by a LAC subcommittee addresses the election process. Since governing documents are sometimes inconsistent or outdated, the bill being proposed clarifies aspects of the election process, such as quorums, counting votes, use of proxies, anonymous ballots, disqualification of owners from voting due to maintenance fee delinquencies, and the supervision of elections. The LAC is now pursuing discussions of its proposed bill with legislators. ■