



nerej

Efforts in passing R.I. super lien legislation rewarded

July 02, 2008 - Owners Developers & Managers

In February of this year, with the help of representative Patricia Serpa (D-Warwick), the R.I. Legislative Action Committee (RILAC) filed legislation seeking to amend the R.I. Condominium Act to allow condominium associations in that state a fully enforceable six month superlien for common expenses over pre-existing first mortgages on units. With the legislation, which was badly needed due to the current credit and mortgage crisis, R.I. would catch up with its neighboring states, Conn. and Mass. both of which have enjoyed super lien statutes for many years, and would become the sixteenth state in the country to enact a similar form of condominium legislation. The remedy afforded by the legislation will stabilize condominium property values by decreasing delinquencies and keeping condominium fees from skyrocketing out of control.

For the past four months, RILAC members have worked tirelessly, attending committee meetings, testifying in front of various legislative subcommittees, meeting with legislators and battling fiercely with well heeled opponents of the legislation.

In an effort to get the attention of the legislators, as well as the opponents of the legislation, the RILAC also issued a "Call to Action", which was heartily answered by constituents across the state who made numerous telephone calls to legislators urging passage of the legislation. This "Call to Action" was noted by representative Brian Patrick Kennedy (D-Westerly), who recommended passage of the legislation as chairman of the House Corporations Committee and by House Majority Leader Gordon Fox (D-Providence) who was also supportive and instrumental in the process, and who complimented CAI and the RILAC on its organized grass roots approach in the face of organized lobbyist opposition to the legislation. All of the efforts have seemingly been rewarded as on June 10th, the house voted 60-0 to pass the condominium super lien legislation, which was followed by a unanimous vote in the senate on June 23rd. At the time of publication, the legislation was headed to governor Carcieri's office, where hopefully it will be favorably received (since it passed unanimously in both the house and the senate) and signed into law by governor Carcieri.

CAI-NE will be holding an important seminar on August 7th to address this legislation and specifically new notice requirements the statute imposes. It is important to note that failure to comply with the notice requirements will result in the loss of a condominium's ability to recover attorney fees and costs as part of the priority. For more information about the seminar contact the chapter office at 781-237-9020. In the meantime, executive boards and community association managers should consult counsel as to the proper procedure for handling collections as the legislation will become effective immediately upon passage.

Richard Brooks is the 2008 president of CAI N.E. chapter and partner at Marcus, Errico, Emmer and

Brooks, Braintree, Mass.

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540