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Legislatures adjourn in ME, NH and RI - Session reports from CAI

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The Community Associations Institute (CAI) Maine, New Hampshire and Rhode Island Legislative Action Committees (LACs) had busy legislative sessions. CAI members volunteered hundreds of collective hours to review bills, draft testimony, meet with legislators and other decision-makers, and testify for and against bills.

Maine End of Session Update

There were more than 1,950 bills introduced, and the MELAC closely monitored nine bills that would have directly affected community associations, opposing two. Below is a brief overview:

ME Bills that Passed

• Electronic Voting (LD 574) - This bill allows bylaws to provide, or the board of directors or members to determine, that some or all votes by members of a non-profit may be conducted by electronic voting under the procedures established by the corporation. Voting conducted by electronic transmission must be filed with the minutes of members' meetings and has the same effect as an in-person vote or a vote by proxy. The LAC submitted testimony explaining our industry's concerns with the piece of legislation. The Governor ultimately signed this bill and it became effective June 5.

• Extension of Lien Period (LD 251) – This bill amends the Maine Condominium Act and states a lien for unpaid condominium assessments is extinguished unless proceedings to enforce the lien are instituted within six years after the full amount of the assessments becomes due. The governor signed this bill and it became effective March 15.

ME Bills that Failed Opposed by the LAC:

• Amateur Radio (LD 1265) - This bill would have prohibited a homeowners association from restricting the construction and operation of an amateur radio station by an amateur radio operator licensed by the Federal Communications Commission. It would have allowed homeowners associations to establish certain requirements concerning the construction and appearance of amateur radio station antennas. The LAC actively opposed this bill, submitting testimony to the state legislature explaining that this bill had the potential of preempting community association rules and the wishes of the majority of the community residents for an individual's special interest. The

Committee on Judiciary ultimately killed this bill.

New Hampshire End of Session Update

Nearly 1,000 bills were introduced, and 175 were enacted. The NHLAC spent the majority of the session opposing legislation that would negatively impact community associations. These bills largely focused on improperly regulating condominium associations through budget and special assessments regulations, dispute resolution boards, payment arrears. The NHLAC tracked more than a dozen bills, of which, every bill died. Below is a brief list of highlights from the NH general court.

NH Bills that Failed

• Amateur Radio Antennas (HB 417): This bill would have prevented a community association from restricting the installation and maintenance of amateur radio towers and antennas. The LAC opposed this bill and it did not progress during this session.

• Dispute Resolution (HB 460): This bill would have required Consumer Protection and Antitrust Bureau, to receive and resolve, if necessary, complaints of unit owners of condominiums. It also would have required the attorney general to annually file a report with the committee to study laws relating to condominium and homeowners' associations detailing the number of complaints received and the actions taken. The bill deemed inexpedient to legislate.

• Foreclosure Remedy for Condos (HB 436): This bill, filed on behalf of the NH LAC, would have established a judicial method for foreclosure of a lien on a condominium unit by the unit owners' association. The bill also would have clarified the liability for common expenses for abandoned units. While it was retained in committee, the NH LAC is working closely with state legislators to reintroduce legislation next session.

• Insurance Requirements (HB 348): This bill would have established meetings and insurance requirements for small condominiums with 25 or fewer residential units. The LAC was in close communication with the bill sponsor about their concerns, and the bill sponsor incorporated the LAC's amendments to make the process less onerous for small condominiums in terms of conducting business in compliance with the statute. This bill was re-referred to committee and did not pass.

• Quorum for Condominium Association Budget Meetings (HB 160): This bill would have required 50% of the association in order to meet quorum for a budget meeting and then would allow the budget to be rejected by a majority of those present. The LAC opposed this bill and it was deemed inexpedient to legislate.

Rhode Island End of Session Update

More than 2,300 bills were introduced, and more than 700 bills were enacted. The RILAC reviewed

over 30 bills that directly or indirectly impacted community associations. Ultimately, 6 bills passed. Below is a brief list of highlights from the 2019 General Assembly:

RI Bills that Passed

• Request for Records within 30 days (S 190/H 6216): Requires all financial and other records made reasonably available for examination within thirty days of a request by any unit owner and his or her authorized agent. This bill took effective without the governor's signature on July 19.

• Resale Certificate Penalty (H 5129/S 154): Imposes a penalty against a condominium association that fails to deliver a resale certificate within 10 days of a request by a unit owner. The LAC submitted testimony partially opposing this bill. It was signed by the governor at the end of June and took effect upon passage, June 28.

• Special Legislative Commission (S 1005): Creates a special legislative commission on housing, they are tasked with conducting a comprehensive review of Rhode Island's Housing System by creating a 15-member panel – 12 of which need relevant housing experience. The RI LAC is requesting a seat on the commission. The commission roster is TBD as of July 16. This resolution went into effect upon passage, June 26.

RI Bills that Failed

• Condo Management Agency Insurance (H 5756): This bill would have required a condominium unit owners' association officers to verify management agents/companies retained by association are insured regarding services provided.) The LAC submitted amendments and shared concerns with bill sponsors. It was held for further study by the committee.

• Short Term Rental (S 605): This bill would have provided guidelines and restrictions pertaining to short-term rentals to address health and safety concerns. This bill specifically included cooperative buildings, condominium buildings and other buildings governed by a homeowner's association or other such bodies and they shall retain the right to regulate short-term rentals in the bylaws of the homeowner's association. This bill was held for further study by the committee.

For more information on LAC activities and community association legislation visit www.caine.org.