

Community Trends®



LEGISLATIVE UPDATE

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Members of the Legislative Action Committee ("LAC"), Community Association Political Action Committee ("CA-PAC") and our legislative aide, Tim Martin of MBI GluckShaw recently completed a successful annual series of legislative updates at 4 locations throughout New Jersey. Snow and rain could not stop the attendees and presenters from spending a few hours listening to what the volunteers of the LAC do, under the skillful guidance of MBI. Approximately 250 members and non-members attended, with a waiting list at 1 of the locations. Thanks must be given to Larry Thomas and Laura O'Connor for coordinating the program locations and presentations. A variety of state and federal issues were discussed emphasizing what the LAC does for many of the CAI members.

Updates were provided with regard to the 2017 legislative priorities. The Municipal Services Act became law in 1992. The LAC is supporting a bill which would require certain municipal entities to maintain, repair and/or replace the fire hydrants within a community. The firefighters union wholeheartedly supports this effort for obvious safety reasons and is a formidable ally. The LAC clearly would like to see this requirement applicable to all municipalities. In addition, while the LAC continues to have discussions with the DCA, regarding manager licensing/certification, the LAC has decided to put this effort on the backburner for the remainder of this legislative session and to commence with significant efforts for approval and implementation once the administration in Trenton changes.

Foreclosure reform efforts were also discussed at length (S1832). This bill, advanced by an ally of CAI, Sen. Rice, seeks to expedite the process for the foreclosure of vacant and abandoned residential properties. CAI has worked extensively with past and current sponsors of this legislation emphasizing the significant detrimental financial

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impact on community associations which are affected by these never-ending "zombie" foreclosures. LAC has been successful in having language included which would permit the appointment of a fiscal agent to manage a vacant unit if a lender did not want to pursue an expedited foreclosure or, require the lender to pay the common expense fees during the foreclosure process. The LAC also continues to work with MBI in its efforts to obtain support from other groups with an interest in this process. The bill is currently before the Senate Budget and Appropriations Committee. The LAC is optimistic that it may reach the Governor's desk prior to the end of this legislative term.

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Election reform has been another important topic to the LAC for quite some time. Multiple bills have been introduced over the years addressing election-related issues. Current legislation (A4091) is supported by the LAC and enhances resident voting rights. This bill would require an association to conduct its annual election in accordance with the requirements of its governing documents, unless the documents conflict with the language included in the proposed bill. In addition, the proposed legislation contains language requiring an election be held at least every 2 years, setting forth the process for solicitation of candidates for the Board and permitting the sending of electronic notices of an election, among other issues. This bill has been amended twice thus far on the Assembly floor after being voted out of committee this past December.

Pending legislation was also discussed with regard to varied issues such as solar panel installation, insurance deductibles, security cameras, indemnification language in snow removal agreements and rain sensors. The "solar panel" bill (A210) would eliminate an association's current ability to prohibit the installation of solar panels on roofs for which the association has certain maintenance and/or replacement responsibilities. While this Bill has passed the Assembly, the sponsor has indicated a willingness to work with the LAC to address our concerns. The "insurance deductible" bill (A3683) would not permit a condominium association to assess an insurance deductible to a unit owner for damage to the unit or common elements unless the damage was caused by the intentional conduct of the unit owner. Once again the sponsor has indicated a willingness to work with the LAC to permit such a charge-back

under certain defined circumstances.

The "security camera" bill (A3431), which is being monitored by LAC at this time, would require that security measures be implemented in the lobbies of certain senior citizen high rise buildings in certain high crime areas, as defined by the NJ State police. The "snow removal indemnification" bill (S181/A3656) would not permit any indemnification language in the snow removal agreement between an association and its snow removal vendor. This bill was passed in the Senate 2 weeks after it was introduced. The LAC is working with a coalition of other property owners in its zealous opposition to this bill. Finally, the "rain sensor" bill (A1484), which is being opposed by the LAC, would require the installation of rain sensors on all irrigation systems within a certain period of time. LAC will be working with the irrigation contractors to develop acceptable requirements for all involved.

The legislative updates also focused on 2 national issues. The "ham radio" bill (HR 555) is currently pending in the US Senate and is being supported by CAI. This bill would permit an association to regulate the installation of ham radio towers, pursuant to certain defined guidelines. CAI has also recently distributed its Music and Movie Licensing guidance document which reviews the requirements of utilizing copyrighted material and the possible penalties for violations of such requirements. The document should be obtained by every association and reviewed with counsel to determine whether or not the current practices of an association are in compliance with federal law. ■