

# Community Trends®



## LEGISLATIVE UPDATE

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In the July issue of *Community Trends*® I reported in my Legislative Update column that several members of the NJ LAC attended CAI's Advocacy Summit in Washington D.C. on May 8 where we had the opportunity to meet with our Congressmen and Senators and their staff to ask them to support federal legislation that benefits our constituents, and to oppose legislation which does not. I also reported that we would have the same opportunity to meet with our State Senators and Assembly representatives and their staff at the Statehouse in Trenton on CAI-NJ's Advocacy Day on June 11.

That day too was a success by all measures. We met with several legislators and their staff members and provided resource materials to them during our meetings. Such in-person meetings are vitally important, not just because they offer us the opportunity to advocate for particular pieces of legislation and issues, but because it gives us the further opportunity to remind these lawmakers of who we are, and how we can serve as their "go-to" resource on issues involving common interest communities. When they learn that over 1.35 million people live in nearly 6,700 such communities across our state, they tell us they're relieved to know we're there to help.

These were the issues we discussed with them:

### • Foreclosure reform

We encouraged support of this legislation (A2085/S1243) to address the problem of "zombie foreclosures" in our communities. We remain committed to providing

fair options to lenders and community associations during the often lengthy foreclosure process on vacant properties in our state, such as expediting the foreclosure process on vacant and abandoned properties, or requiring the fore-

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closing lender to pay the association's monthly assessments during the pendency of the foreclosure.

### • Board member training

We met with a state legislator who intends to introduce legislation to mandate training of members of New Jersey's many common interest community governing boards. To be sure, there is no better training than what you receive "on the job," but it has been suggested that for newly elected/appointed board members who must jump right into what often are difficult situations in their communities, early training and orientation can assist those new board members in being prepared to properly perform their tasks from the day they join the board. We provided various suggestions

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and proposed language to the Assemblywoman for her consideration and she agreed to continue the discussion with us to shape this legislation.

### **• Revival of portions of the Uniform Common Interest Ownership Act (UCIOA)**

The New Jersey Uniform Law Review Commission has found that Common Interest law is of paramount importance due to the growing number of residents who live in common interest communities. The current condominium law was enacted in 1969. It does not provide comprehensive rules for condominiums, it does not cover cooperatives, and whether it covers other common interest communities called “planned unit developments” (PUDs) remains a question. The trouble with drafting a law on common interest communities is that a condominium is more than a free association and less than a governmental unit. It must have the power to make, change and enforce rules concerning unit owners. Although a condominium may exercise something analogous to governmental power, it is not a government and is not subject to governmental limitations. Drafting a statute that balances these interests is difficult. The Commission has issued a report suggesting the introduction of legislation to begin to address the need for a uniform and consolidated framework of laws for all of the different kinds of common interest communities. Such legislation has been introduced (A3851/S2425), with input from the NJ LAC, and we encouraged support of this legislation during our meetings.

### **• Revision to the Statute of Limitations for Association’s claims against Developers**

Last year the New Jersey Supreme Court issued a ruling in the matter of *Palisades at Fort Lee Condominium Association Inc.* (230 N.J. 427) that could significantly reduce the amount of time condominium associations will have to evaluate the conditions of the common elements of their communities, and then to bring suit against the developer/declarant for any design or construction deficiencies found. The court found that the running of the Statute of Limitations (SOL) on such claims could begin to run even before the developer/declarant turned over control of the Association to the members. Prior to this decision the law provided that the SOL could not begin to run until the developer/declarant had turned over control to the members, at the earliest. We encouraged support of legislation that would return the beginning of the running of the SOL to that which existed before *Palisades*.

All of the legislators and staffers we met with expressed support for our positions and thanked us for visiting and providing first-hand experience and knowledge of the issues we face daily. We will continue to advocate for our constituents, and invite your input and feedback on these issues. Letters and telephone calls to our legislators (both federal and state) from those who live and work in common interest communities are welcome...and effective!

Hope you’re all enjoying the summer! See you here next month... ■