

Community Trends®



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LEGISLATIVE UPDATE

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In the May issue of *Community Trends*® I reported in my Legislative Update column that several members of the NJ-LAC would be attending CAI's Advocacy Summit in Washington D.C. on May 8, where we would have 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.

As it turned out, May 8 was a brilliant sunny day in our nation's Capitol, and hundreds of CAI members from across the country descended on Capitol Hill to advocate for all those who live and work in common interest communities in the United States...even from as far away as Hawaii! Several members of the New Jersey CAI Legislative Action Committee attended and we presented a formidable force in advocating for our New Jersey constituents. We met with Senator Booker's staff and Senator Menendez's staff, as well as the staffs of several Congressman, including Representative Lance (7th District – Westfield and Flemington) himself! CAI provided resource material to these offices ahead of our visit, so the staff members were prepared to discuss our issues the moment we entered their offices. 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 69 million Americans live in nearly 350,000 such communities across the country, they tell us they're relieved to know we're there to help.

These were the issues we discussed:

- **Disaster Relief and Recovery**

The *Stafford Act* is the authorizing law for the Federal Emergency Management Agency (FEMA) which sup-

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plies support and funding to affected areas following a presidentially declared disaster. Currently, common interest community homeowners are denied FEMA funding for neighborhood recovery even though they pay the same federal taxes as those homeowners who do not live in CICs. The *Disaster Assistance Equity Act of 2017* (HR 3238) would make community associations eligible for FEMA assistance, remove cumbersome requirements to authorize disaster recovery work to clear debris from community associations, and qualify condominiums and cooperatives to receive FEMA funded repairs of key structural elements to restore buildings to safe and habitable conditions.

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In addition, the National Flood Insurance Program is set to expire on July 31, 2018. The *21st Century Flood Reform Act* (HR 2874) would extend this program so that community association homeowners would not have to face the possibility of devastating under-insured and uninsured flood-related losses.

- **Housing Finance Reform**

CAI supports housing finance reforms that ensure qualified community association homeowners and homebuyers will have easy access to mortgage credit, while preserving state priority lien laws protecting the financial stability of common interest community associations. HUD has been dragging its feet on new rulemaking in this area, and we encourage that Department to complete this important task.

- **Reform the Federal Housing Administration (FHA)**

In July 2016 Congress passed the *Housing Opportunity through Modernization Act* (HOTMA) requiring greater access to FHA-insured condominium unit mortgages for qualified borrowers. However, since the passage of that Act, fewer condominium homeowners have FHA-insured

mortgages than when HOTMA was enacted. CAI supports common sense reform to the FHA Condominium Mortgage Insurance Program so potential buyers have access to FHA money for condominiums. Those reforms include simplifying the certification and renewal processes, and provide for single-unit approvals by lenders, rather than approval based on the entire community.

All of the staffers we met with expressed support for our positions and thanked us for visiting and providing firsthand 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 legislators from those who live and work in common interest communities are welcome...and effective!

We have a similar Advocacy Day scheduled on June 11 in Trenton where members of the NJ-LAC will visit our State Capitol to meet with our state legislators to likewise spread the word about CAI and to advocate in favor of legislation beneficial to all of us who live and work in 6,700 common interest communities here in New Jersey. I will report back to you on the results of those meetings in next month's column...stay tuned! ■