

Community Trends®



LEGISLATIVE UPDATE

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Welcome to the 2018 Conference and Expo issue of *Community Trends*®! I'm told this is the most widely distributed and read issue of the year for our monthly magazine. For those of you who don't receive this magazine, or don't faithfully read it when it's delivered to your office or computer (shame on you...), this *Legislative Update* column serves as a monthly report on the status of CAI's efforts to initiate and support legislative and regulatory efforts that will improve the quality of life for the 1.35 million residents living and working in New Jersey's 6,700 common interest communities, and to oppose those efforts which would do the opposite.

Earlier this year I reported on the Legislative Action Committee's priority list of issues on which we will be focusing our efforts during this legislative session (January 2018 to January 2020) in Trenton. They include:

- **Mortgage foreclosure reform** (to address the plague of vacant and abandoned homes in foreclosure — known as “zombie” foreclosures - A2085/S1243). We are making progress and hope to soon have the pending bill in a form that will be acted on by the legislature and sent to the Governor for signature.
- **Expansion of services to be reimbursed or performed by municipalities** (such as maintenance of fire hydrants - A1745/S2774). We have motivated sponsors shepherding this bill through the legislature.
- **Adoption of uniform common ownership interest legislation** (the revival of UCIOA by the

NJ Law Review Commission – A3851/S2425). This bill has been recently introduced by motivated sponsors who are seeking to begin the process of consolidating into one omnibus statute the many statutory and regulatory provisions that apply to the various forms of common interest communities in our State.

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- **DCA adoption of revised language further defining “adequate reserves” and “benefits derived”** (as contained in PREDFDA and the Condominium Act and their administrative regulations which primarily apply to new developments still under developer control). We have worked collaboratively with the NJ Builders Association to draft proposed revisions to the DCA regulations that address these important regulations, and have recently learned that the DCA is reviewing our proposals. We remain optimistic...
- **Opposition to legislation limiting a Common Interest Community's ability to include protective indemnification provisions in vendor**

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contracts (such as snow removal contracts – A3968/S665). We continue to oppose this legislation that would protect snow removal vendors, at the expense of community associations who hire them.

Other issues have arisen during this year that have also caught our attention, and we will focus on ensuring the legislation aimed at addressing these issues will benefit common interest communities in New Jersey, or at the very least do no harm to them. They include:

- **Board member training:** An effort is underway to introduce legislation that will mandate board member training for New Jersey's common interest communities. The LAC is currently discussing the pros and cons of such legislation, and working with the sponsor to draft a bill that will benefit but not overly burden our homeowner leaders.
- **Electric Vehicle Charging Stations:** (A1030/S2421) Advancing energy technology brings with it both benefits and complications, and this topic is a good example of that. Legislative efforts to promote

the use of electric vehicles are underway, and the LAC is working with the sponsors of this legislation to ensure that the benefits to the users of such technology don't also burden the common interest communities that would be the subject of laws.

- **Statute of Limitations for claims against developers:** A New Jersey Supreme Court opinion in the case of *The Palisades At Fort Lee Condo. Assn. Inc. v. 100 Old Palisade, LLC*, 230 N.J. 427 (2017) significantly shortened the period of time within which a new homeowner association could seek judicial redress from its developer for design and construction defects. The LAC is seeking to initiate legislation that would reverse the unfairness to all common interest communities resulting from this court opinion.

I recommend that you pick up and read the September issue of *Community Trends*®, known as the "LAC Issue," to learn about these issues in more detail. Also, don't forget to attend the Legislative and Legal Update presentation at the Conference and Expo...see you there! ■