

Community Trends®



LEGISLATIVE UPDATE

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Let's be reasonable...

We've heard many times, and learned from experience, that laws are often the result of a single event reported to a local legislator. This could be your town's mayor, county freeholder, state senator, or even the local congresswoman. Lawyers in our industry also know this saying: "bad facts make bad laws..."

So where am I going with this? Well, I'd like to share with you two recent situations occurring in our state that could have, and still may, result in laws that will ultimately harm common interest communities and the people that live and work in them.

The first involves recent legislative attempts to impose a moratorium on debt collection activities during the COVID-19 pandemic. You have probably seen your LAC's recent member alerts on a bill that was introduced in April (S2330/A3908) which as originally introduced would have restricted most debt collection activity by nearly all creditors and debt collectors in New Jersey. Banks, credit card companies, mortgage companies, leasing companies, and yes, common interest communities, would have been affected by this bill. But unlike banks and credit card companies, CICs are non-profit pass-through entities that generate just enough revenue to pay for the essential services they provide to their residents. The inability to collect the full measure of assessments from their members could be devastating for CICs and their residents. Fortunately, we were able to communicate with the bill's sponsors and explain our concern with the bill, and it was eventually amended so as to

effectively eliminate CICs from its application.

However, during those conversations we learned that some legislators were hearing reports of certain debt collectors employing overly aggressive tactics to collect debts from people who were suffering either financially or physically during the recent pandemic and economic lockdown. This surely served as a motivating factor for those legislators who initiated and supported this bill.

The other example involved a local homeowners association who was asked by one of its residents, who happened to be a front line nurse in a local hospital treating COVID-19 patients, if she could temporarily park an RV in her driveway and live in it during the pandemic so that she could still be close to her husband and kids but not risk exposing them to the virus. The association's rules prohibited the parking of an RV in the community, so her request was denied. This was then reported in the local press and, as you can imagine, the HOA was cast in a very negative light. Your LAC was contacted by the HOA's local state legislator expressing concern and disappointment at what was reported in the news. Fortunately, and to their credit, the association's governing board reconsidered and reversed their ruling, permitting the temporary storage of the RV during the pandemic.

The moral of these stories? We as an organization (CAI), and as individual communities of friends and neighbors, must take the initiative to "do the right thing" for our constituents in times of trouble. Our national organization has taken that initiative and recently issued two position announcements on

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both of these issues, one with regard to assessment collection, and the other involving temporary use of RVs within our communities, during states of emergency. We as individual common interest communities throughout our state can and must follow that example. Those who live and work in CICs are our

constituents, but they're also our friends and neighbors. We must learn to govern reasonably and compassionately, not just during times of emergency...but all the time.

We expect much change over the coming days. In the meantime, be safe out there! See you here in July. ■