

Community Trends®



LEGISLATIVE UPDATE

GEORGE GREATREX, ESQ.
PARTNER, HILL WALLACK LLP
LEGISLATIVE ACTION COMMITTEE CHAIR

Last month I reported to you on three new bills that directly affect common interest communities in New Jersey and which appear to be moving in our legislature:

- **A5492/S3790** which would institute *mandatory* board member training
- **A5493/S3789** which would institute *mandatory* community manager licensing
- **A5494/3788** which would provide for the imposition of a fine of up to \$2000 against any association that did not timely provide their members access to board meeting minutes

Members of your NJLAC have already met with the sponsor of these bills and offered our assistance in crafting changes to them that will provide real benefits to those who live and work in common interest communities in New Jersey, while at the same time avoiding imposing onerous regulations on our homeowner leaders and community managers.

I also reported on our efforts to pass limited liability protection legislation that would protect CICs from COVID-19 related claims and thereby helping our executive boards safely open their recreational amenities. I am pleased to report that we passed another hurdle in this legislative process last month when the bill was unanimously voted out of the Senate Community and Urban Affairs committee and on to the full Senate for consideration. As my colleague on the LAC, Ed San George, so aptly reminded us in this column this past March, this protection would not stop such a claim from being

made but would protect an association and its representatives from a monetary judgment unless the claimant could prove the actions of the association were grossly negligent, reckless, criminal or fraudulent. It is therefore incumbent on all associations to perform their duties properly and in accordance with law so that when the decision to reopen their amenities is made, it is done safely. Please continue to reach out to your home district state legislators and encourage them to support these bills (A4979/S3584).

“Members of your NJ-LAC have already met with the sponsor of these bills and offered our assistance in crafting changes to them that will provide real benefits to those who live and work in common interest communities...”

One more thing before I close this month's column. A bill that has been around for quite some time (A2445) has just been passed out of committee, over your LAC's objections, and is scheduled soon for a vote in the full Assembly. This bill would prevent condominium associations from assessing insurance deductibles (on property damage claims) to individual unit owners or groups of unit owners, even if the damage claimed was caused by the actions or omissions of the unit owner(s). This bill unfairly penalizes the members

CONTINUES ON PAGE 2

LEGISLATIVE UPDATE...

from page 1.

of a condominium association for the actions or omissions of a single unit owner or group of unit owners who caused the insured damage and could lead to the unintended consequence of association's having to lessen insurance deductibles (which increases the premium costs) and/

or amounts of coverage provided to the association's unit owners. We will continue to seek amendments to this bill so as to ease the resulting burden on all association members.

Welcome Summer! Be safe out there... See you next month. ■