



LEGISLATIVE UPDATE

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The NJ-IAC has a plethora of new items on its plate due to legislation that was filed at the beginning of the new session and which we are still absorbing. Some of the more significant pieces of legislation that we are evaluating include:

- **S607** — Prohibiting conflicts of interest regarding common interest community (CIC) officers and directors, and prohibiting them from accepting “any benefit offered for the purpose of influencing the officer or board member, directly or indirectly, in the discharge of duties to the association;
- **A1102** — requires that transition to unit owner control occur no later than 2 years after substantial completion;
- **A2129**—requires all management contracts to include a 24 HOUR-emergency maintenance hotline, and requires CICs to pay owner’s legal fees in the event that the CIC fails to provide the owner with access to certain records;
- **A6106** — this bill and several others are intended to make it easier to develop accessory dwellings at existing single family home sites, which may impact some HOAs;
- **A261** — regulating and restricting smoking in multiple dwellings;
- **S1545** — prohibiting charging owners the cost of association insurance deductibles; and,
- **S1410** — severely limits the use of restrictive covenants in employment agreements.

We will continue to update you regarding these and other bills once we have reviewed with our lobbyist and better understand which may move and require attention. Of course, we are still engaged with previous priorities including, building integrity, site improvement bonds, expansion of Municipal Services Act to include fire hydrants, UCIOA, manager licensing, and board member training.

In addition, we have created a taskforce to examine

“...the Department of Community Affairs (DCA) responded to CAI’s petition challenging certain elements of the ‘Radburn’ Regulations (N.J.A.C. 5:26).”

the December temporary Fannie Mae and Freddie Mac underwriting guidelines that relate to safety and “significant deferred maintenance” at CICs. In that connection we are examining what action can or should be taken with regard to these requirements and their implementation by lenders and the approaches that are being used in answering these questionnaires.

It should also be noted that on February 9, 2022, the Department of Community Affairs (DCA) responded to CAI’s petition challenging certain elements of the

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"Radburn" Regulations (N.J.A.C. 5:26). The DCA has agreed to make certain changes in response to the concerns and rejected others. The LAC and CAI-NJ's Board are in the process of reviewing the DCA's response with our attorneys and will soon announce the next steps to be taken in this process.

Finally, we are pleased to announce that the Governor

signed the Statute of Limitations bill (S396) that was written and supported by the LAC. The bill provides that the statute of limitations for construction defect claims against the developer and those working on behalf of the developer is tolled until transition to unit owner control and was promoted in response to an unfavorable New Jersey Supreme Court ruling. ■