

# Bill as Introduced

HB 1470 - AS INTRODUCED

2010 SESSION

10-2229

05/03

HOUSE BILL            **1470**

AN ACT                establishing a committee to study laws relating to condominium and homeowners' associations.

SPONSORS:            Rep. S. Harvey, Hills 21; Rep. Kappler, Rock 2; Rep. Hackel, Hills 21; Rep. Almy, Graf 11; Sen. Merrill, Dist 21; Sen. Carson, Dist 14

COMMITTEE:          Commerce and Consumer Affairs

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ANALYSIS

This bill establishes a committee to study laws relating to condominium and homeowners' associations.

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Explanation:        Matter added to current law appears in ***bold italics***.  
Matter removed from current law appears ~~(in brackets and struckthrough.)~~  
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Ten*

AN ACT                    establishing a committee to study laws relating to condominium and homeowners' associations.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

- 1            1    Committee Established.    There is established a committee to study laws relating to  
2    condominium and homeowners' associations.
- 3            2    Membership and Compensation.
- 4            I.    The members of the committee shall be as follows:
- 5                (a)    Three members of the house of representatives, appointed by the speaker of the  
6    house of representatives.
- 7                (b)    One member of the senate, appointed by the president of the senate.
- 8            II.   Members of the committee shall receive mileage at the legislative rate when attending to  
9    the duties of the committee.
- 10          3    Duties.    The committee shall:
- 11            I.    Study laws relevant to condominium and other homeowners' associations.
- 12            II.   Evaluate the need to distinguish smaller and larger associations in the statutes and to  
13    differentiate between condominium associations and homeowners' associations.
- 14            III.   Study model laws for possible improvement to New Hampshire laws.
- 15            IV.   Recommend statutory changes.
- 16            V.   Solicit information and testimony from the Community Associations Institute and others  
17    with expertise or information relevant to the committee's study.
- 18          4    Chairperson; Quorum.    The members of the study committee shall elect a chairperson from  
19    among the members.    The first meeting of the committee shall be called by the first-named house  
20    member.    The first meeting of the committee shall be held within 45 days of the effective date of this  
21    section.    Three members of the committee shall constitute a quorum.
- 22          5    Report.    The committee shall report its findings and any recommendations for proposed  
23    legislation to the speaker of the house of representatives, the president of the senate, the house  
24    clerk, the senate clerk, the governor, and the state library on or before November 1, 2010.
- 25          6    Effective Date.    This act shall take effect upon its passage.

# Amendments

Amendment to HB 1470

1 Amend the bill by replacing all after the enacting clause with the following:

2  
3 1 New Section; Condominium Act; Committee to Study the Laws Relating to Condominium and  
4 Homeowners' Associations. Amend RSA 356-B by inserting after section 69 the following new  
5 section:

6 356-B:70 Committee to Study the Laws Relating to Condominium and Homeowners'  
7 Associations.

8 I. There is established a committee to study laws relating to condominium and homeowners'  
9 associations.

10 II. The members of the committee shall be as follows:

11 (a) Three members of the house of representatives, appointed by the speaker of the  
12 house of representatives.

13 (b) One member of the senate, appointed by the president of the senate.

14 III. Members of the committee shall receive mileage at the legislative rate when attending to  
15 the duties of the committee.

16 IV. The committee shall:

17 (a) Study laws relevant to condominium and other homeowners' associations.

18 (b) Evaluate the need to distinguish smaller and larger associations in the statutes and  
19 to differentiate between condominium associations and homeowners' associations.

20 (c) Study model laws for possible improvement to New Hampshire laws.

21 (d) Recommend statutory changes.

22 (e) Solicit information and testimony from the Community Associations Institute and  
23 others with expertise or information relevant to the committee's study.

24 V. The members of the committee shall elect a chairperson from among the members. The  
25 first meeting of the committee shall be called by the first-named house member. The first meeting of  
26 the committee shall be held within 45 days of the effective date of this section. Three members of the  
27 committee shall constitute a quorum.

28 VI. The committee shall submit an annual report of its findings and any recommendations  
29 for proposed legislation to the speaker of the house of representatives, the president of the senate,  
30 the house clerk, the senate clerk, the governor, and the state library on or before November 1, 2010  
31 and each November 1 thereafter.

32 2 Effective Date. This act shall take effect upon its passage.

# Speakers



# Hearing Minutes



HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

PUBLIC HEARING ON HB 1470

**BILL TITLE:** establishing a committee to study laws relating to condominium and homeowners' associations.

**DATE:** January 7, 2010

**LOB ROOM:** 302      **Time Public Hearing Called to Order:** 1332

**Time Adjourned:** 1408

(please circle if present)

**Committee Members:** Reps. Butler, DeStefano, Kopka, McEachern, Hammond, Noron, Winters, Meader, Gidd, Schlachman, ~~D. Flanders~~, Hunt, Quandt, Belanger, D. Flanders, R. Holden, Bowling, Headd, Nevins and Palfrey.

**Bill Sponsors:** Reps. S. Harvey, Kappler, Hackel, Almy and Sens. Merrill and Carson

TESTIMONY

\* Use asterisk if written testimony and/or amendments are submitted.

**\*Rep. Suzanne Harvey, prime sponsor** – Read from prepared statement; submitted written testimony. Believes statute has not been looked at in about 10 years. She will dig up prior hearing and provide copies to the committee.

**Sen. Sharon Carson, co-sponsor** – Favors bill; says laws are arcane, complicated; over 10 years since we have looked at these issues. Need to hear from builders, owners, associations, etc.; all involved.

**\*Gary Green, of Dover, NH** – Supports the bill; submitted written testimony.

**Rep. Paul Hackel, co-sponsor** – Says it is time to do a thorough investigation into condo issues.

**Rep. Suzanne Almy, co-sponsor** – Supports the bill. There exists a new model law governing condos; believe this document (52 pages) is a good basis to start.

**Gary Braun, CAI-NH, attorney in Nashua, NH representing condo association** – CAI supports the bill; says it's a good idea to review the statute; has CAI model of appropriate law. Good idea and would like to participate.

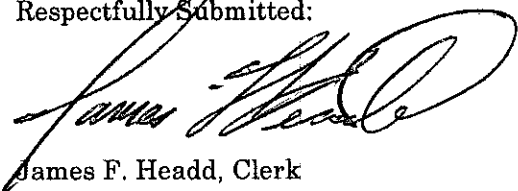
**Jerry Little, NH Bankers' Association** – Supports the bill. Did not speak; will reference during HB 1340 testimony.

**Cal Davison, Cardiff Management, Inc.** – Supports bill; lots of things to review in our New Hampshire RSA's.

**Deana Cowan, Island Shores Estates** – Chose not to speak; supports the bill.

**Richard Head, Attorney General** – Supports the bill with amendment. Is the attorney general still necessary in the oversight of the statute? We should play enforcement role.

Respectfully Submitted:

A handwritten signature in cursive script, appearing to read "James F. Headd". The signature is written in black ink and is positioned above the printed name.

James F. Headd, Clerk

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

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**Bill Sponsors:** Reps. S. Harvey, Kappler, Hackel, Almy and Sens. Merrill and Carson

TESTIMONY

\* Use asterisk if written testimony and/or amendments are submitted.

Rep Suzanne Harvey - Read from prepared statement - had written testimony.

Believes statute has not been looked at in about 10 years - she will dig up prior hearings and provide copies to the committee

2) Sen CARSON - favors bill - says laws are ARCAINE - complicated - over 10 years since we have looked at these issues - need to hear from Builders, owners, Associations - etc - all involved

3) Gary Green - handed out a prepared statement - ~~read~~ from

#4 Paul Hackel - Co-sponsor -  
says it is time to do a thorough  
investigation into Condo 'issue'

#5 Rep Amy - Co-sponsor -  
there exists a new model  
law governing condos - believes this  
document (52 pages) is a good  
basis to start -

#6 Gary Brown - CAJ - NH  
atty - in Durham Represents  
Condo association -  
CAJ - supports the bill - says  
a good idea to review the statute -  
has a CAJ model of appropriate law  
Good idea we would like to  
participate -

#7 Jerry Little - supports NH BarRes  
issue - supports - (did not speak)

#8 CAL DAVISON - supports Bill  
lots of input to Review in our NH ~~area~~

#9 DEANA COWAN - chose not to speak

H 3

HB

1470

10

Richard Head - Atty general.  
has an amended bill  
Supports the bill -

Is Atty general still necessary  
in the oversight of the student  
we should play enforcement role -

# Sub-Committee Actions

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HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

SUBCOMMITTEE WORK SESSION ON HB 1470

**BILL TITLE:** establishing a committee to study laws relating to condominium and homeowners' associations.

**DATE:** 2-11-10

**Subcommittee Members:** Reps. Dowling, Winters, Keans

**Comments and Recommendations:**

**Amendments:**

Sponsor: Rep. OLS Document #: 2010 0541h

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

**Motions:** OTP, OTP/A, ITL, Retained (Please circle one.)

Moved by Rep. Winters

Seconded by Rep. Keans

Vote: 4-0

**Motions:** OTP, OTP/A, ITL, Retained (Please circle one.)

Moved by Rep. Winters

Seconded by Rep. Keans

Vote: 4-0

Respectfully submitted,

Rep. Patricia Dowling  
Subcommittee Chairman/Clerk

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

SUBCOMMITTEE WORK SESSION ON HB 1470

**BILL TITLE:** establishing a committee to study laws relating to condominium and homeowners' associations.

**DATE:** February 11, 2010

**Subcommittee Members:** Reps.

**Comments and Recommendations:**

*OTP-Ornd  
0541 H* *Winters/Keans*

**Amendments:**

Sponsor: Rep.

OLS Document #:

*0541*

Sponsor: Rep.

OLS Document #:

Sponsor: Rep.

OLS Document #:

**Motions:** OTP, OTP/A, ITL, Retained (Please circle one.)

Moved by Rep. *Winters*

Seconded by Rep. *Keans*

Vote:

**Motions:** OTP, OTP/A, ITL, Retained (Please circle one.)

Moved by Rep. *Winters*

Seconded by Rep. *Keans*

Vote: *4-0*

Respectfully submitted

Rep. ~~(Type NAME)~~

Subcommittee Chairman/Clerk

*Patricia A. Spang*



Amendment to HB 1470

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31 and each November 1 thereafter.

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# Sub-Committee Minutes

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

SUBCOMMITTEE WORK SESSION ON HB 1470

**BILL TITLE:** establishing a committee to study laws relating to condominium and homeowners' associations.

**DATE:** 2-4-10

**Subcommittee Members:** Reps. Dowling, Hunt, Winters, Keans

**Comments and Recommendations:** Amendment forthcoming to change form study committee.

**Amendments:**

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

**Motions:** OTP, OTP/A, ITL, Retained (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote:

**Motions:** OTP, OTP/A, ITL, Retained (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote:

Respectfully submitted,

Rep. Patricia Dowling  
Subcommittee Chairman/Clerk

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

SUBCOMMITTEE WORK SESSION ON HB 1470{Type BILL NO.}

**BILL TITLE:** establishing a committee to study laws relating to condominium and homeowners' associations.

**DATE:** 2-4-10

**Subcommittee Members:** Reps. Dowling, Hunt, Winters, Keans

**Comments and Recommendations:** Amendment forthcoming to change form study committee.

**Amendments:**

Sponsor: Rep.	OLS Document #:
Sponsor: Rep.	OLS Document #:
Sponsor: Rep.	OLS Document #:

**Motions:** OTP, OTP/A, ITL, Retained (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote:

**Motions:** OTP, OTP/A, ITL, Retained (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote:

Respectfully submitted,

Rep. Patricia Dowling  
Subcommittee Chairman/Clerk

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

SUBCOMMITTEE WORK SESSION ON HB 1470

**BILL TITLE:** establishing a committee to study laws relating to condominium and homeowners' associations.

**DATE:** *1-26-10 2-4-10*

**Subcommittee Members:** Reps. *Devolby, Hunt, Waters, Lewis* *PAD*

**Comments and Recommendations:** - *amendment forthcoming to change from study committee*

**Amendments:**

Sponsor: Rep.	OLS Document #:
Sponsor: Rep.	OLS Document #:
Sponsor: Rep.	OLS Document #:

**Motions:** OTP, OTP/A, ITL, Retained (Please circle one.)

Moved by Rep.  
Seconded by Rep.  
Vote:

**Motions:** OTP, OTP/A, ITL, Retained (Please circle one.)

Moved by Rep.  
Seconded by Rep.  
Vote:

Respectfully submitted,  
*Patricia*  
\_\_\_\_\_  
Rep. {Type NAME}  
Subcommittee Chairman/Clerk  
*CS*

# Testimony

**HB 1470**

**Rep. Suzanne Harvey**

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**The purpose of this bill is to give the legislature an opportunity to revisit the current statute 356-B, called the Condominium Act.**

**The prime motivation is twofold:**

**--the vast difference between the needs and management of the smaller and larger condo communities;  
--and the difficulty the current statute language presents to condo boards as their members, unit owners who are generally not lawyers, struggle to understand the law as it applies to their community. Many have the benefit of a management company the boards employ, but some of the smaller communities may not.**

**The statute has 69 sections and can certainly be daunting to lay board members, who may have to laboriously compare their own by-laws to statute to determine how to proceed on a given matter.**

**I live in a relatively small condo community -- 48 single, detached homes. This is very different from a condo community of, for example, 300 apartments or mixed apartments and detached homes. Just getting a quorum for a meeting is hard enough in our small development.**

**There is a difference, too, between condo associations and home owners' associations. I believe the former own the buildings, roofs, doors, windows, etc, whereas the home owners' associations, or HOAs, only own the grounds and various parts of the outside infrastructure.**

**The great variety of these developments points to a need for more customized statutes.**

**A study committee can also consider how and if the current statute leaves room for developers, with their boilerplate by-laws and sometimes lack of long-term vision, to leave conditions that may be difficult for boards to manage, both technically and financially.**

**Thus, the study committee could assess whether some of the current requirements may be too cumbersome or costly for smaller associations to manage.**

**The Community Associations Institute (CAI) is an organization that works state-to-state to help community associations govern either themselves or via a management company. The NH CAI would be a great resource to the study committee and may even have a model bill from which we might fashion a revised set of statutes customized for NH.**

**I believe the time is right for a fresh 2010 look at the Condominium Act and make recommendations that could potentially help Granite State residents.**

**Gary R. Green**  
**18 Footbridge Lane**  
**Dover, NH 03820**

**Phone: 603-595-1330**

**Fax 603-294-4192 (must notify)**

**E-Mail: ggths@aol.com**

To Whom it May Concern

1/7/10

I want to thank the sponsors of House Bill 1470.

I have had communication with Senator Amanda Merrill as well as Representatives *Roland Hofemann* and Peter Schmidt prior to this bill being introduced.

I do want to identify myself as a long time resident of New Hampshire. I held a NH Real Estate License in the 80's and I purchased my first condominium in 1985. I have owned condominiums in the states of Maine and Florida in addition to one I still own in Dover NH. I actually developed a duplex condominium with my builder in the State of Maine.

I have witnessed a large number of NH citizens make the move from single family homes to condominiums in the past 25-30 years. Many are Senior Citizens and are the most vulnerable as they are often downsizing at retirement time.

I have served on Boards as President at numerous Condominium Associations.

My observation is that the success of any condominium is dependent on the qualifications of those who volunteer to serve on the Board and who they choose as a Property Management Company. It is difficult to get qualified owners to volunteer to run for Association Boards as it is often a thankless job. Chances are better of selecting qualified candidates in bigger Associations, but smaller communities often get volunteers who really lack the experience necessary to comprehend the Condominium management concept.

More important in my view, is the selection of the right Property Management Company. Given the possibility of board members having limited experience or knowledge it is important that a Property Manager provides the proper guidance to protect citizens who buy into an Association, especially the Senior Citizens who are less likely to understand how to transition into a Condominium Association.

While I have had good luck with most of the companies I have worked with I have heard horror stories from other Associations throughout the state. I watched some Associations do very poorly during the Real Estate bust in the 1980's.

In the late 80's I voiced my concern when management companies formed maintenance divisions which I viewed as a possible conflict of interest.



Currently, I am aware of at least 2 Associations in the Seacoast area that have sizable assessments from what I view as poor management practices

The concerns I am voicing are not unique to New Hampshire but are more of a universal problem throughout the country.

Florida, Georgia, Alaska, Virginia were the first states to enact regulatory legislation to oversee Property Management Companies and Property Managers. Many other states are considering similar legislation or have already adopted regulatory statutes

I was offered a position as a Property Manager in the state of Florida for example and I would have been required to pass a written test to become licensed to accept the position.

Licensing is just the first step that is needed. Citizens need to have access to a Board or Commission similar to the Real Estate Commission for purpose of filing complaints for any wayward Property Managers or Property Management Companies.

I am here to support HB 1470 and hope it produces legislation to address concerns many NH citizens seem to have after moving into a condominium managed by an outside management company.

I can provide a copy of the Florida Statutes that regulate Condominium management that I obtained when I owned property in that state if requested.

Gary Green

1 Committee Established.

There is established a committee to

a. study laws relating to condominium and homeowners' associations; and

b. study the registration of subdivisions under the Land Sales Act (RSA 356-A) and condominiums under the Condominium Act (RSA 356-B) with the Office of the Attorney General.

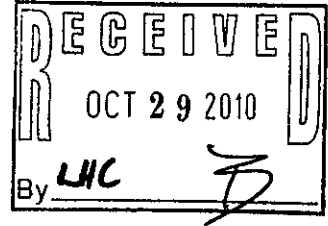


State of New Hampshire

GENERAL COURT

CONCORD

HB 1470, 2010



**MEMORANDUM**

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**DATE:** October 25, 2010

**TO:** Honorable John H. Lynch, Governor  
Honorable Terie Norelli, Speaker of the House  
Honorable Sylvia B. Larsen, President of the Senate  
Honorable Karen O. Wadsworth, House Clerk  
Tammy L. Wright, Senate Clerk  
Michael York, State Librarian

**FROM:** Representative Susan W. Almy, Chair

**SUBJECT:** Annual Report on the Committee to Study the Laws Relating to Condominium and Homeowners' Associations (RSA 356-B:70)

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Pursuant to Chapter 322:1, Laws of 2010, enclosed please find the Annual Report of the Committee to Study the Laws Relating to Condominium and Homeowners' Associations.

If you have any questions or comments regarding this report, please do not hesitate to contact me.

SWA:dm  
Enclosures

Annual Report of the Committee to Study Laws Relating to Condos and Homeowner Associations  
RSA 356-B:70, Chapter Law 322:1, Laws of 2010  
October 25, 2010

The Committee to Study Laws Relating to Condos and Homeowner Associations, consisting of Representatives Susan Almy, Patricia Dowling, Paul Hackel, and Senator David Boutin, has met three times since it was appointed, on August 24, September 20, and October 19. The joint minutes from the first two meetings and the final minutes are attached. We recognize that RSA 356-B, the state's condominium law, requires considerable work, and propose to study the issues thoroughly before proposing new legislation. The Committee recommends an early, thorough review of the two versions of the Uniform Common Interest Ownership Act, which may offer some solutions.

The Committee is looking into many issues, and beginning to consider the benefits and drawbacks of possible changes. These are, not in priority order:

- A. monitoring the new law giving liens by condo/homeowner associations (CHAs) for unpaid dues higher priority than that of primary mortgages as to whether this harms the ability of potential purchasers to obtain mortgages;
- B. how to make CHA boards more transparent and therefore accountable to their members, without overloading the smaller associations with impossible tasks;
- C. whether some form of state-level grievance procedure for individual purchasers in new developments and/or members of established CHAs can be set up that will not be cost-prohibitive for either the CHAs or the state;
- D. whether the property management companies that advise and perform most of the membership services for most CHA boards need to be regulated in some way, or somehow made more accountable to the membership;
- E. whether there is a way to provide on-line training and/or reference materials for CHA board members, given their function as managers of roads, septic and water systems, public order, and other public services within their boundaries, and their often-rapid turnover;
- F. whether section 3 of RSA 356-B, dealing with the functions and responsibilities of boards, needs to be expanded to provide more guidance and flexibility and recognize modern technology;
- G. whether annual registration, or some other mechanism to allow public listing of CHA board members and contacts, should be pursued;
- H. whether there are ways to reduce incidences of developers leaving CHAs with less than the promised assets;
- I. whether there are better tools to help CHAs to ensure their members keep up their dues payments;
- J. how to provide clearly in statute for the right of CHA members to call for a special meeting and replace a board which is violating statute; and
- K. whether attorneys' fees as provided in RSA 356-B: 15 (II) should be collectible by either party.

For the Committee, Rep. Susan Almy, Chair

Committee to Study Laws Relating to Condos and Homeowner Associations Meetings  
August 24 and Sept. 20, 2010

The Committee to Study Laws Relating to Condos and Homeowner Associations met on August 24 with Reps. Pat Dowling, Paul Hackel and Susan Almy, and Sen. David Boutin present, also researcher Pam Smarling, AAG David Rienzo, Jerry Little of the NH Banking Association, Tom Ducharme of Evergreen Management (which manages multiple condo associations, most of them large), and attorney Gary Brown from the NH Community Associations Institute. We discussed each of our experience with condo associations and general concerns with the law (or with changing it).

RSA 356-B was created in 1977 and consists of four sections, the first definitions and interaction with levels of government, the second the legal creation and sale of condominiums and alternative forms of growth or retraction of them, the third the form and powers of the unit owners' associations, and the fourth primarily the process of registration and approval of developers' plans to build condominiums with the AG's office, though it also includes the notice that must be given to buyers on re-sale. The AG's office feels strongly that they should continue to be involved in the manner specified in the fourth section, because it is the only oversight for a complex process that can leave many homeowners without recourse. We discussed a number of other issues that were specified more in the second meeting. Rep. Almy was elected Chair (with a possible agreement to switch with the Clerk next year), Rep. Dowling Clerk, and Sen. Boutin substitute Clerk.

The Committee met again on September 20, with Rep. Dowling and Sen. Boutin unable to attend. The session was taped and there will be CDs of it provided to them and in the record. In addition to the same non-legislators as before, we had present and contributing Ken Nielsen, vice chair of the Board of Manufactured Housing, Eric Newman, representing time-share/resort developments held in condominium, and Gary Green, a Dover condo owner and past president of several other condo associations.

The Manufactured Housing Board has only a limited numbers of issues they can deal with, and they have reduced the formal complaints they get to 10-12 a year, by posting their decisions on line, requiring complainants send a "good faith" letter about the issue to the owner 5 days before filing the complaint, and answering about 50-100 calls a month with a part-time staff. Their orders are legally enforceable by the AG's Office and they did that with the first ones and afterwards have had few problems. Since there has been a move by the NH Community Loan Fund to cooperativize failing trailer parks, they have had more complaints from tenant-owners in these parks than from normal commercial ones, due to the learning curve for condominium boards and the usual bad repair of the parks when transferred. Their budget is slightly over \$20,000 and comes from the General Fund, with the rare complaint fees of \$25 going into it.

Atty. Brown spoke to the major costs that could be involved for all concerned in replicating the MFB for condominiums - that unlike regular trailer park owners, condo boards have a fiduciary duty to represent their members fully, and this means they would have to hire lawyers for every complaint filed in a legal proceeding, which would vastly increase costs to members. Mr. Ducharme and others felt that the first order of business should be to require or encourage the condo boards to be as transparent as possible to the membership, perhaps require a website where certain items are routinely posted, require that if a member complains, he be invited to the next board meeting to present his case. Having some entity which would provide mediation between individual owners and their boards was considered a better alternative - particularly if it could operate like the MHB in

providing education on law and past resolutions through a website. It seems likely, however, that it would have to find a way to deal with many more complaints, continually, because one of the problems is that volunteer boards turn over faster than trailer park owners, and lose memory of how to deal with problems.

Other issues that we have discussed more briefly in the two meetings are:

- Licensing of property managers – Mr. Green brought us the Florida statute; about half the states do it but some only to collect money, and we would need to require proper training and continuing education, conflicting opinions even in the same person about whether it would help
- Adaptation of the very cursory section 3 (boards) to the needs of widely varying condos, coops, pud's and home owner associations of enormously different sizes and percentages of resident members - including increasing transparency to members from the boards – Mr. Little brought us copies of MA, CT and VT laws on this
- Whether giving condo association liens priority above mortgages in default (HB 1340 effective Jan 1, 2011) will stifle lending for condominiums so much that it needs modification
- Whether annual registration, in order to have the board members and their contact information on file somewhere public, should be tried again (bill lost 2001)
- Whether there can be law improvements to:
  - o give better surety the developers who build condominiums will perform as promised
  - o Find ways to get non-paying members to pay their dues

We have a report due on November 1, although there is no time limit on completing the work. If someone has a suggestion on material we ought to follow up by then, in order to file a bill (rather than wait to understand more of the whole), we can arrange a presentation then. I would like feedback on whether the banking issue is such especially from Commerce Committee members. Otherwise, the chair will boil these notes down into a paragraph or two for the November report and we can discuss whether we want to offer priorities for the 2011 committee to consider.

Respectfully submitted,

Rep. Susan Almy

**Committee to Study the Laws Relating to Condominium and Homeowners' Associations  
RSA 356-B:70, Ch. 322:1, Laws of 2010**

**Meeting Minutes  
October 19, 2010**

**Members Present:** Rep. Susan Almy, Rep. Paul Hackel, Rep. Patricia Dowling and Senator David Boutin

**Discussion of the draft annual report**

Rep. Almy presented a draft annual report and noted that the Committee had not had time to conduct a study but could assist the members of the 2011-2012 committee by identifying areas that need review. She expressed the hope that the Speaker and Senate President would appoint at least some of the same members to the committee in the upcoming biennium.

Discussed adding the consideration of adopting, in whole or in part, the 1994 or 2008 Uniform Common Interest Ownership Act. Adopted.

Rep. Pete Hinkle spoke to the committee re condo issues that have had adverse effects on the condo owners where he lives.

Mr. Green submitted letter from others relative to condominiums, plus provided materials.

Add to report Rep. Hinkle's recommendation to discuss how to provide clearly in statute for the right of CHA members to call for a special meeting and replace a board which is violating statute. Adopted.

Add to report the issue of whether attorneys' fees as provided in RSA 356-B: 15 (II) should be collectible by either party. Adopted.

Agreed that the list of issues for the 2011-2012 Committee to consider are not necessarily presented in priority.

Respectfully submitted,

Rep. Patricia Dowling, Clerk

# Voting Sheets



HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

EXECUTIVE SESSION on HB 1470

**BILL TITLE:** establishing a committee to study laws relating to condominium and homeowners' associations.

**DATE:** 2-11-10

**LOB ROOM:** 302

**Amendments:**

Sponsor: Rep. Winters	OLS Document #:	2010	0541h
Sponsor: Rep.	OLS Document #:		
Sponsor: Rep.	OLS Document #:		

**Motions:** OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep. Dowling

Seconded by Rep. Winters

Vote: 16-0 (Please attach record of roll call vote.)

**Motions:** OTP, QTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep. Dowling

Seconded by Rep. Winters

Vote: 16-0 (Please attach record of roll call vote.)

**CONSENT CALENDAR VOTE:** Consent or Regular (Circle One)

(Vote to place on Consent Calendar must be unanimous.)

**Statement of Intent:** Refer to Committee Report

Respectfully submitted,

Rep. James F. Headd, Clerk

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

EXECUTIVE SESSION on HB 1470

**BILL TITLE:** establishing a committee to study laws relating to condominium and homeowners' associations.

**DATE:** ~~2-4-10~~ 2-11-10

**LOB ROOM:** 302

**Amendments:** 0541h  
Sponsor: Rep. *Dawley/Winters* OLS Document #:  
Sponsor: Rep. OLS Document #:  
Sponsor: Rep. OLS Document #:

**Motions:** OTP, OTP/A, ITL, Interim Study (Please circle one.)  
Moved by Rep. *Dawley*  
Seconded by Rep. *Winters*  
Vote: *16-0* (Please attach record of roll call vote.)

**Motions:** OTP, OTP/A, ITL, Interim Study (Please circle one.)  
Moved by Rep.  
Seconded by Rep.  
Vote: (Please attach record of roll call vote.)

**CONSENT CALENDAR VOTE:** Consent or Regular (Circle One)  
(Vote to place on Consent Calendar must be unanimous.)

**Statement of Intent:** Refer to Committee Report  
Respectfully submitted,  
Rep. James F. Headd, Clerk

COMMERCE AND CONSUMER AFFAIRS

Bill #: HB 1470 Title: Law relating to Condo & Ho Assoc

PH Date: 1/1/10 Exec Session Date: 21 9/11/10

Motion: OTF Amendment #: 05416

MEMBER	YEAS	NAYS
Butler, Edward A, Chairman	/	
Schlachman, Donna L, V Chairman	/	
DeStefano, Stephen T		
Kopka, Angeline A	/	
Meador, David R	/	
McEachern, Paul	/	
Hammond, Jill Shaffer	/	
Nord, Susi	/	
Winters, Joel F	/	
Keans, Sandra B	/	
Gidge, Kenneth N	/	
Hunt, John B	/	
Quandt, Matt J	/	
Belanger, Ronald J	/	
Flanders, Donald H	/	
Holden, Rip	/	
Dowling, Patricia A	/	
Headd, James F, Clerk	/	
Nevins, Chris F	/	
Palfrey, David J	/	
	17-0	
<hr/> <hr/>		
TOTAL VOTE:		

COMMERCE AND CONSUMER AFFAIRS

Bill #: HB 1470 Title: \_\_\_\_\_

PH Date: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ Exec Session Date: 4/11/10

Motion: OTR/2 Amendment #: \_\_\_\_\_

MEMBER	YEAS	NAYS
Butler, Edward A, Chairman	/	
Schlachman, Donna L, V Chairman	✓	
DeStefano, Stephen T	/	
Kopka, Angeline A	/	
Meador, David R	/	
McEachern, Paul	/	
Hammond, Jill Shaffer	/	
Nord, Susi	/	
Winters, Joel F	/	
Keans, Sandra B	/	
Gidge, Kenneth N	/	
Hunt, John B	/	
Quandt, Matt J	/	
Belanger, Ronald J	<del>/</del>	
Flanders, Donald H	/	
Holden, Rip	/	
Dowling, Patricia A	/	
Headd, James F, Clerk	/	
Nevins, Chris F	/	
Palfrey, David J	/	
	16	8
TOTAL VOTE:		

# Committee Report

**CONSENT CALENDAR**

**March 3, 2010**

**HOUSE OF REPRESENTATIVES**

**REPORT OF COMMITTEE**

The Committee on COMMERCE AND CONSUMER

AFFAIRS to which was referred HB1470,

AN ACT establishing a committee to study laws relating to condominium and homeowners' associations. Having considered the same, report the same with the following amendment, and the recommendation that the bill OUGHT TO PASS WITH AMENDMENT.

**Rep. Patricia A Dowling**

**FOR THE COMMITTEE**

## COMMITTEE REPORT

Committee:	COMMERCE AND CONSUMER AFFAIRS
Bill Number:	HB1470
Title:	establishing a committee to study laws relating to condominium and homeowners' associations.
Date:	February 16, 2010
Consent Calendar:	YES
Recommendation:	OUGHT TO PASS WITH AMENDMENT

### STATEMENT OF INTENT

Condominium laws have not been reviewed and/or revised for many years. The issues are complex and there are many chapters of law to consider. The work cannot be completed in 4 months. Owners believe an update is necessary. Homeowners' associations are included in the study. A report must be filed annually until the committee's work is completed.

Vote 16-0.

Rep. Patricia A Dowling  
FOR THE COMMITTEE

Original: House Clerk  
Cc: Committee Bill File

## **CONSENT CALENDAR**

### **COMMERCE AND CONSUMER AFFAIRS**

**HB1470**, establishing a committee to study laws relating to condominium and homeowners' associations. **OUGHT TO PASS WITH AMENDMENT.**

Rep. Patricia A Dowling for **COMMERCE AND CONSUMER AFFAIRS**. Condominium laws have not been reviewed and/or revised for many years. The issues are complex and there are many chapters of law to consider. The work cannot be completed in 4 months. Owners believe an update is necessary. Homeowners' associations are included in the study. A report must be filed annually until the committee's work is completed. **Vote 16-0.**

Original: House Clerk  
Cc: Committee Bill File



**Stapler, Carol**

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**From:** EdofttheNotch@aol.com  
**Sent:** Monday, February 15, 2010 11:16 PM  
**To:** Stapler, Carol  
**Subject:** Re: Note on HB 1470  
**Attachments:** HB1470 blurb.doc

Carol,

'Chapters of law', I think, is more descriptive. This is OK now.

Ed

In a message dated 2/12/2010 9:11:14 A.M. Eastern Standard Time, carol.stapler@leg.state.nh.us writes:

Hi Ed,

Because I couldn't read with any certainty, the word "chapters" in Pat's blurb, I asked Pam to help decipher. She said she would use the phrase "sections of law" because it's probably not widely known what chapters mean...chapters are big sections of law. Your call....

2/16/2010

HB 1470  
Rep. Pat Dowling  
OTP/A  
CC

Condominium laws have not been reviewed and/or revised for many years. The issues are complex and there are many ~~sections~~ of law to consider. The work cannot be completed in 4 months. Owners believe an update is necessary. Homeowners' associations are included in the study. A report must be filed annually until the committee's work is completed.

↓  
*Chapters*

# COMMITTEE REPORT

COMMITTEE: Commerce

BILL NUMBER: 1470

TITLE: Establishing a committee to study laws relating to Condominiums & Homeowners Associations

DATE: 2-11-10 CONSENT CALENDAR: YES  NO

- OUGHT TO PASS
- OUGHT TO PASS W/ AMENDMENT
- INEXPEDIENT TO LEGISLATE
- INTERIM STUDY (Available only 2<sup>nd</sup> year of biennium)

Amendment No.  
\_\_\_\_\_

**STATEMENT OF INTENT:**

*Condominium laws have not been reviewed and/or revised for many years. The issues are complex and there are many aspects to consider. The work cannot be completed in 4 months. Owners believe an update is necessary. Homeowners Associations are included in the study. A report must be filed, usually after the committee's work is completed.*

COMMITTEE VOTE: \_\_\_\_\_

- Copy to Committee Bill File
- Use Another Report for Minority Report

RESPECTFULLY SUBMITTED,

Rep. Patricia A. Dewey  
For the Committee