

**SB 6744** - S AMD 142

By Senators Tom, Fraser, Fairley, Benton, Weinstein, and Honeyford

ADOPTED 02/18/2008

1 Strike everything after the enacting clause and insert the  
2 following:

3 "NEW SECTION. **Sec. 1.** (1) By December 10, 2008, the department of  
4 community, trade, and economic development shall conduct a study of  
5 improved dispute resolution processes for homeowners' association  
6 members and boards of directors. The study shall evaluate the  
7 feasibility of creating either state or local appeals boards or state  
8 or local ombudsman offices to provide dispute resolution services and  
9 information to homeowners' association members and boards of directors  
10 about their rights and duties under chapter 64.38 RCW. The study must  
11 include:

12 (a) Trends in the number of housing communities or cooperatives  
13 subject to chapter 64.38 RCW and the number of people living in them;

14 (b) The estimated number of homeowners' association members and  
15 boards of directors who would make use of the ombudsman or appeals  
16 board services;

17 (c) The estimated expense of providing such services and potential  
18 sources of revenue to support them;

19 (d) A recommendation regarding whether such services should be  
20 provided; and

21 (e) If such services are recommended, the structures and procedures  
22 for providing the services and potential revenues for financing them.

23 (2) The department of community, trade, and economic development  
24 shall appoint an advisory committee of up to twelve members to assist  
25 with the study. The speaker of the house of representatives and the  
26 majority leader of the senate may each appoint one representative and  
27 one senator from each of the two largest caucuses to serve on the  
28 advisory committee on an ex officio basis. Legislative and  
29 nonlegislative members of the advisory committee shall receive travel

1 expense reimbursement in accordance with RCW 44.04.120, 43.03.050, and  
2 43.03.060.

3 (3) Administrative and clerical support shall be provided by the  
4 department of community, trade, and economic development.

5 (4) Recommendations shall be reported to the legislature and  
6 governor by December 10, 2008.

7 NEW SECTION. **Sec. 2.** (1) The department of community, trade, and  
8 economic development shall create a task force of up to thirteen  
9 members to provide recommendations on model declarations and a method  
10 for distributing information on homeowners' associations to prospective  
11 buyers. The task force shall draft one or more model declarations for  
12 use by declarants forming homeowners' associations. In developing the  
13 model declarations, the task force shall review declarations creating  
14 homeowners' associations that are currently used in Washington state  
15 and other states. The task force shall also draft proposed legislation  
16 that provides an effective method for distributing information about a  
17 lot's homeowners' association to that lot's prospective buyer. In  
18 developing the proposed legislation, the task force shall review the  
19 methods used in Washington state and other states.

- 20 (2) The task force membership shall include:
- 21 (a) Two board members representing two different homeowners'  
22 associations;
  - 23 (b) Three homeowners who own a home that is their primary residence  
24 in a community or cooperative that is governed by chapter 64.38 RCW;
  - 25 (c) Two attorneys with expertise in homeowners' association  
26 formation;
  - 27 (d) A representative from the department of community, trade, and  
28 economic development; and
  - 29 (e) A representative of city governments.

30 The speaker of the house of representatives and the majority leader  
31 of the senate may each appoint one representative and one senator from  
32 each of the two largest caucuses to serve on the task force on an ex  
33 officio basis.

34 (3) The task force shall convene as soon as possible upon the  
35 appointment of its members. The task force shall elect a chair and  
36 adopt rules for conducting the business of the task force.

1 Administrative and clerical support shall be provided by the department  
2 of community, trade, and economic development.

3 (4) Legislative members of the task force must be reimbursed for  
4 travel expenses in accordance with RCW 44.04.120.

5 (5) By December 10, 2008, the task force shall provide a report of  
6 recommended model declarations and proposed legislation to the  
7 legislature and the governor.

8 NEW SECTION. **Sec. 3.** This act expires December 31, 2008."

**SB 6744** - S AMD

By Senators Tom, Fraser, Fairley, Benton, Weinstein, and Honeyford

**ADOPTED 02/18/2008**

9 On page 1, line 1 of the title, after "associations;" strike the  
10 remainder of the title and insert "creating new sections; and providing  
11 an expiration date."

EFFECT: Requires CTED to study the feasibility of creating either state or local appeals boards and/or ombudsman offices to provide dispute resolution and information to both HOAs and homeowners. CTED must appoint an advisory committee to assist with the study. The advisory committee may include four legislative members. Travel reimbursement for all members of the advisory committee must be provided.

The declarations task force now must also include a representative of city government. The legislature may, but is not required to, appoint four of its members to the task force. Requires the task force to also recommend proposed legislation addressing how best to provide information on homeowners' associations to prospective buyers.

--- END ---