

SENATE BILL REPORT

SHB 1370

As Reported by Senate Committee On:
Financial Institutions, Housing & Insurance, March 26, 2013

Title: An act relating to the notice requirement for homeowners' associations meetings.

Brief Description: Concerning notice requirements for homeowners' associations meetings.

Sponsors: House Committee on Judiciary (originally sponsored by Representative Seaquist).

Brief History: Passed House: 2/27/13, 97-0.

Committee Activity: Financial Institutions, Housing & Insurance: 3/21/13, 3/26/13 [DP].

SENATE COMMITTEE ON FINANCIAL INSTITUTIONS, HOUSING & INSURANCE

Majority Report: Do pass.

Signed by Senators Hobbs, Chair; Mullet, Vice Chair; Benton, Ranking Member; Fain, Hatfield, Nelson and Roach.

Staff: Alison Mendiola (786-7483)

Background: A homeowners' association (association) is a legal entity with membership comprised of the owners of residential real property located within a development or other specified area. An association typically arises from restrictive covenants recorded by a developer against property in a subdivision. A board of directors, elected by the members, manages the association. In general, the purpose of an association is to manage and maintain a subdivision's common areas and structures, to review design, and to maintain architectural control.

Associations must hold annual meetings, and special meetings may be called. Advance notice of meetings must be provided to each owner. A notice may be sent by first-class mail or hand delivered to an owner's mailing address or other address designated in writing.

Summary of Bill: In addition to providing association members with notice of an association meeting by mail or hand delivery, meeting notices may be sent by electronic transmission if a homeowner provides written consent. An owner may also revoke this consent. Additionally, after two failed electronic transmissions, the consent is considered waived and the homeowner must receive notice by mail or hand delivery.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: In the Olympia Goldcrest Homeowners Association there are 179 homes. Meeting notice is provided by mail and the association would prefer to use email notice instead. Last year, \$1,200 was spent on these mailings. The association would prefer to use that money on maintenance and other needs of the association.

Persons Testifying: PRO: Bob Jones, Goldcrest Homeowners Assn.