

February 14, 2017

Senate Public Affairs Committee

Hearing on SB 244- Homeowner Association Dispute Resolution

SB 244 a new amendment to SB 497 touted as a protection for association homeowners was tabled on Tuesday February 14 in the Senate Public Affairs hearing over.... "money."

The meeting began at 7:30 touting the additional governance protections of SB 244 for NM association homeowners. The new amendment would have superseded the existing Homeowner Association Act. The Senate hearing unraveled a very distinct underlying motive: more control granted to management companies and their attorneys over associations and the authority to charge higher costs to association members.

The existing statute and the new bill have missed resolving the need for independent agency oversight, less costly dispute resolution and penalties to avert abuse of the law as proposed by a small committee of homeowners involved in past discussions. There are a few states that have laws that protect the homeowners. NM isn't one of them. Conflicts arising between association members and their boards will continue to be shuffled through the courts with the only winning faction being the attorneys.

The sponsoring Senator is to be applauded for taking on this difficult endeavor as we have seen no other state representative willing to attempt to develop laws that will afford better protections for the homeowner. But the seemingly good intentions of the law, have turned into a battle of control and money dictated by business. A few homeowners were "invited" by the sponsoring Senator to join in the remake of the new law, however after some meetings it became evident that the only purpose of the invite was to camouflage who the bill was really protecting....the management companies and their attorneys. Until the people are allowed to participate in the making of their laws, the lobbyist those who have the ear of the lawmakers and money to contribute to their state representatives, will make the laws.

Despite the appearance on the surface, that the law is for the people, it's still about business and money. Had the bill passed the hearing, management companies would have gained another inch on their controls over associations and their members. There were 2 homeowners, Suzanne Star and Sabine Shurter from Sierra Los Pinos to testify on matters of concern about certain rules. There were an estimated 7 management company representatives and an equal amount of real estate representatives. The arguments presented about protections by Suzanne Star were superseded by a contentious rally between management company and real estate reps over a \$400 cap.

We expect the lack of attendance by association homeowners was due to minimal notification, and lack of interest. In fact we suspect that only a handful of the 275,000 association homeowners in the state are aware of the law that is being developed to govern them. Will they eventually wake up to the realization that those who sleep on their rights, lose them?