

RICHARD BLUMENTHAL
ATTORNEY GENERAL



55 Elm Street
P.O. Box 120
Hartford, CT 06141-0120

Office of The Attorney General
State of Connecticut

TESTIMONY OF
ATTORNEY GENERAL RICHARD BLUMENTHAL
BEFORE THE JUDICIARY COMMITTEE
MARCH 19, 2008

I appreciate the opportunity to strongly support the provisions of Senate Bill 691, An Act Concerning the Licensing of Community Association Managers and Senate Bill 706, An Act Concerning Condominiums and Other Common Interest Communities and Establishing an Office of Condominium Ombudsman.

These proposals create a state commission to review condominium unit owner complaints concerning violations of condominium bylaws or state condominium laws by the association's board of directors, officers or professional managers. The commission would attempt to mediate disputes. If necessary, it would hold a hearing and issue orders to resolve problems and ensure that bylaws and state laws are respected.

My office receives hundreds of complaints from condominium unit owners regarding violations of state condominium laws or condominium bylaws by their association board of directors. Sadly, no state office exists to assist these unit owners. The state agency established in Senate Bill 706 and Senate Bill 691 provides help to outmatched unit owners who are fighting for their basic rights under our condominium laws.

Under this proposal, the Attorney General, upon referral by the commission or ombudsman, may bring a civil action to enforce the provisions of the condominium bylaws or state statutes regarding condominiums. Senate Bill 691 contains an important provision allowing for the commission or the Commissioner of Consumer Protection to impose a civil penalty of not more than \$1,000 for the first violation, \$1,500 for the second violation and \$3,000 for the third or subsequent violation.

Many of the complaints received by my office concern failures by the association board of directors to follow basic governance principles such as adopting an annual budget with notice to the unit owners, holding fair elections for the board of directors, providing key financial information about the association, and fairly imposing association fines.

Some of these complaints are based on deliberate indifference by association boards to association bylaws or state condominium laws. Others are probably due to a lack of full understanding of condominium association responsibilities.

The current law is unfair to unit owners. The law imposes certain responsibilities on condominium association boards of directors and establishes certain rights for unit owners. The unit owners must hire -- at their own expense -- a lawyer to enforce those rights and responsibilities while the association boards of directors can defend themselves using association funds, raised through assessments on the unit owners. Thus, unit owner funds are used to defend lawsuits brought by unit owners themselves.

A Connecticut Community Association Commission will provide much-needed assistance to unit owners and provide an important enforcement tool for our condominium laws.

I urge the committee's favorable consideration of the provisions establishing this critical state agency contained in Senate Bill 706 and Senate Bill 691.