Testimony of

Robert E. Gourley

Before the Judiciary Committee

Friday, March 25, 2011

11:00 a.m.

H.B. 6620 AN ACT CONCERNING CONDOMINIUMS AND COMMON INTEREST OWNERSHIP COMMUNITIES

My Name is Bob Gourley. I currently serve as President of the Board of Directors for the CT Chapter of the Community Associations Institute. My term began on January 1, 2010 and will end December 31, 2011. I joined the organization is 2004 and was nominated to the Board in 2005.

I also serve as President of the Board of Directors of Captain's Walk, a 20-unit Planned Urban Development (PUD) in West Haven, CT. I have served on the Board as President since 2003. As a PUD, Captain's Walk is governed identically to most condominiums and HOAs in the state of CT. Residents hold common interest in the community, pay common fees, are bound to unit by-laws and regulations, and are subject to provisions outlined in the Common Interest Ownership Act (CIOA)

Prior to living at Captain's Walk, I was an individual unit owner at Pilgrim's Harbor in Wallingford from 1985 to 1993.

I am a principal partner in a business called, MyEZCondo. My business produces newsletters for condominium and community associations throughout the country, including CT.

Testimony on the Bill

I oppose H.B. 6620 for several reasons.

The idea of a Condominium Ombudsman is noble in nature but impractical in application.

I do not know of any community associations in our state that do not have excellent democratic rules in place in the form of their by-laws and declarations that clearly spell out the democratic process by which these communities are to be governed. Further, existing laws such as CIOA, the Condominium Act, and others provide ample legal remedy by which homeowners can seek resolution to their complaints.

I foresee great expense, both to community association homeowners and the State of Connecticut in creating a new bureaucracy in the form of an Office of the Condominium Ombudsman as proposed. If the Condominium Ombudsman is to be housed within the Department of Consumer Protection as outlined in the bill, there will surely be an undue burden placed upon that office which will result in additional expense. If the

Condominium Ombudsman is created as a stand-alone agency, as has been proposed in earlier versions of this bill, there will surely be cost to staff, house, and support this office. I see either as a major misallocation of taxpayer dollars. I also think it would be impractical for the Department of Consumer Protection to become expert in conflict resolution within the rules and by-laws of the many different community associations in our state.

Finally, I foresee great expense to taxpayers who are perfectly content living in their community associations. If the bill were to be passed as proposed, there will very likely be a need for more associations to spend money defending themselves from claims, many of which are likely to be dismissed. Most associations will need to spend more money on legal counsel to defend themselves. The way they will raise the money for legal fees is to raise the common fees paid by all residents. It seems patently unfair to me that the vast majority of content residents who live in our state's condominiums and community associations should pay more to do so just so we can have a new bureaucracy designed to encourage claims against community associations. The proposed fee of $4.00 per unit as proposed in Sec. 4 of the bill creates a roughly $1,000,000.00 per year tax on common interest communities in the state. I find that outrageous as well as unnecessary.

There are other provisions of the proposed bill that I am against but of even greater concern to me is the tone of the bill. As a long-time condominium homeowner in the state of Connecticut, I can tell you that making the decision to run for an elected office and then donate my time to ensure that my family and my neighbors are assured of the best community association living experience possible is not an easy decision. It takes courage and leadership ability to volunteer to serve on a Board of Directors. You open yourself up to criticism of your decision-making abilities. You face the possibility of alienating your immediate neighbors who may disagree with your choices. To think that my fellow association members need laws to govern my behavior is genuinely unthinkable. If fellow association members do not approve of the job I am doing, they have the option of voting me out of office at our Annual Meeting. If I do something truly abhorrent during my tenure as a Board member, they have the option of calling a special meeting and having me removed from office immediately. These provisions are already outlined in the by-laws of our association. Why would they feel they need to have the State get involved with the affairs within our community?

The revisions enacted in CIOA last year were sweeping. There are already legal remedies at the disposal of every community association member living in the State of Connecticut. The creation of a new bureaucracy is clearly not the solution, especially at a time when many of our state's community associations are already facing shortfalls of qualified and interested volunteers to come forward and serve on their community's Board of Directors. Communities that are already struggling with high debt due to foreclosures and aging common elements that need repair and upkeep can hardly afford new legal expenses defending themselves against a Condominium Ombudsman that represents only the interests of dissatisfied association members.

I am in favor of association members with legitimate disputes to take action against their association's Board of Directors. When the system works properly, a complaint is made, heard and resolved. When the system fails, there are already ample legal remedies available to both sides. And when all else fails, there is always the ultimate solution of removing one's self from a community association by simply selling the unit and living elsewhere. There are no laws forcing anyone to remain in a community association where they do not find joy and contentment.

Thank you for considering my viewpoint on this bill. I trust you will find my testimony useful in helping you make the right decision to vote "NO" on this bill.

Very Truly Yours

Bob Gourley

President of the Board of Directors, CT Chapter of the Community Associations Institute

President of the Board of Directors, Captain's Walk PUD

Founder, MyEZCondo