

TESTIMONY IN OPPOSITION TO GENERAL ASSEMBLY BILL No. 5511 - AN ACT CONCERNING THE BUDGET, SPECIAL ASSESSMENT AND ASSIGNMENT OF FUTURE INCOME APPROVAL PROCESS IN COMMON INTEREST OWNERSHIP COMMUNITIES

MARCH 29, 2012

Good morning Senator Coleman, Representative Fox, Senator Kissel, Representative Hetherington and members of the Judiciary Committee. Thank you for the opportunity to provide testimony.

My name is Lorna M. Lewis. I serve as the President, Union Square Condominium Association located at 4 Union Avenue, Norwalk CT 06851. Our association is comprised of 42 units and was formed prior to 1984.

Under the existing law, a proposed budget and certain special assessments are deemed approved unless rejected by 51% of unit owners within a common interest community. Raised Bill # 5511 proposes the budget and a special assessment of a common interest community be approved by a majority of the unit owners voting instead of a majority of all unit owners, with no minimum quorum required.

Changing the Uniform Common Interest Ownership Act from its current version will have an adverse effect, therefore creating more disconnect between the Board and the rest of the Association. It may allow a certain minority of unit owners to have disproportionate influence on whether a budget is ratified, especially if proxy voting is permitted by the Declaration of the Association.

Currently, the law stipulates a proposed budget will be ratified unless 51% of the Association's unit owners reject the budget. Initially, our Board proposed an 8.6% increase in common charges for 2012 fiscal year but our proposed budget was rejected twice in two separate meetings, one including the 8.6% increase and one with a 6.8% increase. *Please note unit owners had a choice of faxing/e-mailing ballots to the management company or using proxy votes to insure their vote was counted.* Recently, our budget was finally ratified with a 5.2% increase in common charges. While this was a drawn out process over three months, I strongly advocate keeping the law as it is because it allows our budget process more transparency and accountability despite some apathy within the Association.

Special assessments are not common occurrences for the Union Square Condominium Association but any significant assessment could be subject to the same skepticism and disproportionate influence mentioned previously.

While I fully support the Uniform Common Interest Ownership Act contained in Public Act #09-25 effective July 1, 2010, I cannot support any amendments that will have an adverse impact on the functional well-being of the many condo associations throughout Connecticut. I urge to vote against Raised Bill #5511.