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## SUBSTITUTE SENATE BILL 6201

State of Washington 59th Legislature 2006 Regular Session

By Senate Committee on Financial Institutions, Housing & Consumer Protection (originally sponsored by Senator Fairley)

READ FIRST TIME 01/27/06.

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AN ACT Relating to the creation of a homeowners' association act committee; adding a new section to chapter 64.38 RCW; creating a new section; and providing an expiration date.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. Sec. **1.** (1) The homeowners' association committee is created. The purpose of the committee is to review the homeowners' association act, chapter 64.38 RCW, the uniform common interest ownership act, and current issues concerning homeowners' associations as defined in RCW 64.38.010 including, without limitation, the method and manner of amending restrictive covenants, voting, alternative dispute resolution mechanisms, communications between homeowners' association boards and association members, the budget ratification process, potential conflicts between the homeowners' association act and other laws that may be applicable to the organizational form of the association, and the need for reforms regarding the process, in which liens are placed on property for unpaid association dues against a new seller for a previous owner's delinquencies, as well as a review of the required disclosures on the sale of real property within a homeowners' association.

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- 1 (2) The committee shall consist of the following ten members:
- 2 (a) One member of the senate appointed by the president of the 3 senate;
  - (b) One member of the house of representatives appointed by the speaker of the house of representatives;
    - (c) The following six members appointed by the governor:
- 7 (i) A representative of the Washington state chapter of the 8 community associations institute;
  - (ii) A representative of the Washington homeowners' coalition;
  - (iii) A representative of the residential development industry;
- 11 (iv) A lawyer experienced in representing the interests of 12 homeowners' associations in their dealings with homeowners;
- 13 (v) A lawyer experienced in representing the interests of 14 homeowners in their dealings with the boards of homeowners' 15 associations; and
- 16 (vi) A person, who shall serve as the chair of the committee, who 17 has expertise in homeowners' association law; and
  - (d) The following two members appointed by the governor upon recommendation of the chair of the senate financial institutions, housing and consumer protection committee and the chair of the house judiciary committee: Two constituents who are members of a homeowners' association and who are not serving on a homeowners' association board.
- 23 (3) Legislative members of the committee shall be reimbursed for 24 travel expenses in accordance with RCW 44.04.120.
  - (4) The committee shall examine the issues referenced in subsection (1) of this section and whether any changes should be made to the homeowners' association act. The committee shall deliver a report of its findings and conclusions and any proposed implementing legislation to the appropriate committees of the senate and house of representatives by September 1, 2007.
  - (5) This section expires September 1, 2007.
- NEW SECTION. Sec. 2. A new section is added to chapter 64.38 RCW to read as follows:
- This chapter may be known and cited as the homeowners' association act.

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