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ENGROSSED SENATE BILL 6744

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State of Washington

60th Legislature

2008 Regular Session

By Senators Fraser and Fairley

Read first time 01/22/08. Referred to Committee on Consumer Protection & Housing.

1 AN ACT Relating to homeowners' associations; creating new sections;  
2 and providing an expiration date.

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

4 NEW SECTION. **Sec. 1.** (1) By December 10, 2008, the department of  
5 community, trade, and economic development shall conduct a study of  
6 improved dispute resolution processes for homeowners' association  
7 members and boards of directors. The study shall evaluate the  
8 feasibility of creating either state or local appeals boards or state  
9 or local ombudsman offices to provide dispute resolution services and  
10 information to homeowners' association members and boards of directors  
11 about their rights and duties under chapter 64.38 RCW. The study must  
12 include:

13 (a) Trends in the number of housing communities or cooperatives  
14 subject to chapter 64.38 RCW and the number of people living in them;

15 (b) The estimated number of homeowners' association members and  
16 boards of directors who would make use of the ombudsman or appeals  
17 board services;

18 (c) The estimated expense of providing such services and potential  
19 sources of revenue to support them;

1 (d) A recommendation regarding whether such services should be  
2 provided; and

3 (e) If such services are recommended, the structures and procedures  
4 for providing the services and potential revenues for financing them.

5 (2) The department of community, trade, and economic development  
6 shall appoint an advisory committee of up to twelve members to assist  
7 with the study. The speaker of the house of representatives and the  
8 majority leader of the senate may each appoint one representative and  
9 one senator from each of the two largest caucuses to serve on the  
10 advisory committee on an ex officio basis. Legislative and  
11 nonlegislative members of the advisory committee shall receive travel  
12 expense reimbursement in accordance with RCW 44.04.120, 43.03.050, and  
13 43.03.060.

14 (3) Administrative and clerical support shall be provided by the  
15 department of community, trade, and economic development.

16 (4) Recommendations shall be reported to the legislature and  
17 governor by December 10, 2008.

18 NEW SECTION. **Sec. 2.** (1) The department of community, trade, and  
19 economic development shall create a task force of up to thirteen  
20 members to provide recommendations on model declarations and a method  
21 for distributing information on homeowners' associations to prospective  
22 buyers. The task force shall draft one or more model declarations for  
23 use by declarants forming homeowners' associations. In developing the  
24 model declarations, the task force shall review declarations creating  
25 homeowners' associations that are currently used in Washington state  
26 and other states. The task force shall also draft proposed legislation  
27 that provides an effective method for distributing information about a  
28 lot's homeowners' association to that lot's prospective buyer. In  
29 developing the proposed legislation, the task force shall review the  
30 methods used in Washington state and other states.

31 (2) The task force membership shall include:

32 (a) Two board members representing two different homeowners'  
33 associations;

34 (b) Three homeowners who own a home that is their primary residence  
35 in a community or cooperative that is governed by chapter 64.38 RCW;

36 (c) Two attorneys with expertise in homeowners' association  
37 formation;

1 (d) A representative from the department of community, trade, and  
2 economic development; and

3 (e) A representative of city governments.

4 The speaker of the house of representatives and the majority leader  
5 of the senate may each appoint one representative and one senator from  
6 each of the two largest caucuses to serve on the task force on an ex  
7 officio basis.

8 (3) The task force shall convene as soon as possible upon the  
9 appointment of its members. The task force shall elect a chair and  
10 adopt rules for conducting the business of the task force.  
11 Administrative and clerical support shall be provided by the department  
12 of community, trade, and economic development.

13 (4) Legislative members of the task force must be reimbursed for  
14 travel expenses in accordance with RCW 44.04.120.

15 (5) By December 10, 2008, the task force shall provide a report of  
16 recommended model declarations and proposed legislation to the  
17 legislature and the governor.

18 NEW SECTION. **Sec. 3.** This act expires December 31, 2008.

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