View from the Legislative Front

Judi M. Phares, President and CEO, RTI/Community Management Associates, Inc.

I’m an optimist by disposition and a realist by experience. My strong sense of fair play compels me to stand up for principles when “reformers” go to extremes. That’s one of the reasons CMA commits time and resources to represent HOAs in the democratic process.

The current public debate about HOA reform in the state legislature reminds me that advocacy is an exercise in compromise. Given the current adversarial political climate and the negative perceptions of HOAs portrayed by the media, negotiations to overcome the opposition’s bills are proving extremely challenging.

In this edition, you’ll find a snapshot of some key legislation pending at this writing. We anticipate likely action on many bills pertaining to HOA issues. I urge you to carefully review the resource links in the Legislative Advisory section. Our goal is to help you stay informed about what’s at stake for your community.

Regardless of the outcomes, your leadership remains critical. Your board will set the tone for your community as they make decisions, apply the rules and protect the common interests of owners. Our CMA management team maintains a professional perspective in our mission — to help you protect and enhance your property values. We’re here to support you.

Sincerely,

Judi M. Phares, CMCA®, PCAM® Publisher

What’s the ROI?

Looking for a good investment?

Your HOA is one of the best places to invest a few hours and dollars to maintain the great benefits of association living. Return on the investment: a stronger sense of belonging to the community, knowing your neighbors, and securing your property values. Support your HOA and Texas Community Association Advocates (TCAA.)

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Compliance Curbs Repeat Offenders!

The bane of suburban lawns and beds, offensive plant material (WEEDS) sprout up and flourish if not treated. Consult a “garden guide” to identify the hundreds of species, or just go with “we know ‘em when we see ‘em.” They’re one of the most frequently cited violations, according to CMA Compliance Coordinators and other CMA staff who inspect owners’ properties and send notices about violations of the CC&Rs.

The frequency and type of CC&R violations vary by neighborhood, but in general, the following are the five violations most frequently cited by Compliance Coordinators.

- Weeds in flowerbed, or more likely bermuda lawn grass overgrown in the bed.
- Failure to edge and/or weed-eat.
- Unmowed grass (yard).
- Fences in disrepair or other fence issues. Depends on the neighborhood standard and how consistent enforcement is and the age of the neighborhood.
- And the perennial….trash cans left out.

What’s the story on Trash Cans as repeat offenders?

Observes a Compliance Coordinator, “Some neighborhoods have a lot of trash can violations and some have next to none. Typically the more consistent the trash can violation enforcement is, the fewer trash can violations that neighborhood has.” (The situation can occur if there are changes in enforcement directed by the board, or a new board wants changes.) “In the neighborhoods that always enforce trash can rules and always have, there are very few trash can violations.”

What’s the most unusual violation you’ve sent a notice for?

Compliance Coordinators report:

- Most unsightly debris: A toilet in the alley.
- Backyard or barnyard: Chickens in back yard need to be removed. Horses tied to a tree in a front yard. Goats in another back yard.
- Most literal interpretation of an ACC request: An owner submitted an ACC request to paint the exterior of the home. Subsequently, they painted the whole house exterior, brick and all.

Seven Tips

How to Weed Out Violations

1. Put coupons from local lawn care vendors in newsletters and on your community website. (also, sprinkler systems, fence repair and staining, etc.)

2. Distribute a community standards brochure which highlights the main procedures for ACC modifications and other rules. (Contact your association manager to discuss.)

3. Sponsor a Yard of the Month recognition award.

4. Sponsor a community pride promotion with a local nursery vendor, to encourage beautification.

5. Work with the municipality (or whoever handles garbage collection) and post reminders of the trash pick-up schedule in the community newsletter and website.

6. Post signs at the entrances on the particular week of bulk trash pickup.

7. Put articles about compliance in the community’s newsletter and website. Give a schedule of when and how to treat lawns in the area, and hints about what products are effective.

Offender: Spotted Spurge

Spotted Spurge (milk purslane) thrives in open turf and in most soils. Often found in lawns and shrub beds and in cracks in walkways & driveways. The slender reddish stems ooze a milky white sap which may irritate the skin. Small pinkish white flowers bloom and produce seeds from May to October, seeds remain dormant over the Winter sprouting in the Spring. Use ORTHO Weed-B-Gon Weed Killer for Lawns or other treatments recommended by a landscape professional.

Photos and text identifying weeds can be found here.
Report from the Association Leadership Forum

More than 100 HOA leaders and CMA staff participated in CMA's Association Leadership Forum in late February. Following a breakfast buffet and networking, leaders got down to a full morning’s agenda on the timely topic: Why Shaping Public Policy and Opinion Matters.

Laura Matz of Santos Alliances drew on her extensive experience as a lobbyist representing HOA interests before the Texas Legislature. After briefing the group on important bills and issues on the legislative agenda, Laura and CMA President and CEO Judi Phares fielded questions from the audience.

HOAs have received greater scrutiny and gained a higher public profile in recent years as “reform” groups have sought laws to “rein in” perceived abuses. Texas Community Association Advocates (TCAA) and HOA stakeholders have strived to achieve more fair and balanced legislation and media coverage of community association living.

Click here to visit the TCAA website to view more information and media coverage of the TCAA rally.

For a recent snapshot of key HOA legislative issues, many of which were presented at the Forum, please see page 4.
Texas HOA Legislative Roundup

January 11: First day of the session
May 30: Last day of the session
June 19: Last day Governor can sign or veto bills that passed.

It’s premature to speculate on which bills, if any, get signed into law. Nonetheless, it’s realistic to acknowledge that if Senator West’s Omnibus bill CSSB 142 passes, HOAs will have to adjust to comply with new requirements.

Well over 100 separate bills affecting HOAs have been introduced, many of which may have adverse effects on community associations.

TCAA is working with legislators and their staffs to promote beneficial legislation which protects homeowners and preserves the ability of HOAs to maintain community standards and property values.

(continued on page 5)

Texas 82nd Legislative Session HOA Agenda at a Glance
(as of April 8, 2011, not inclusive of all HOA-related bills)

<table>
<thead>
<tr>
<th>Pertaining to these issues:</th>
<th>TCAA proposed bill HB 3347</th>
<th>West Omnibus CSSB 142</th>
<th>Other bills pending on these issues</th>
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<td>TUCA (condo) modifications</td>
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<td>HB 1127, SB 1235</td>
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<td>HB 1821, SB 1370</td>
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<td>Resale Certificates</td>
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<td>SB 1235</td>
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<td>Declaration (definition and amendment provisions) Documents</td>
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<td>HB 893, HB 1882, SB 472, SB 1370 (West) HB 2761</td>
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<td>HB2501, CSSB 472, SB 1502</td>
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<td>HB 1868, SB 1204</td>
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<td>CSHB 366, SB 1204</td>
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<td>CSHB 362, HB 450, SB 302, SB 447, SB 238, SB 492, SB 619, SB 1235</td>
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<td>HB 565, HB 912, HB 1196, HB 1228, SB 1204, SB 1370, SB 1547</td>
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<td>HB 1868</td>
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<td>Collections</td>
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<td>SB 446 and SJR 19 (Jackson)</td>
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<td>Solar Panels</td>
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<td>HB 912, SB 446</td>
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<td>Delinquent assessments &amp; foreclosure</td>
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<td>Homestead exemptions</td>
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<td>Recovery of attorney’s fees in POA foreclosures</td>
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<td>HB 2129, HB 2779, HB 3038, SB 1792</td>
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<td>Private Transfer Fees</td>
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<td>Oversight of POA Finances</td>
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<td>HB 635, SB 1397, SB 101, SB 1370, SB 1547</td>
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Texas HOA Legislative Roundup

Resources for More Information

Keeping Track of Bills
Sharon Reuler is a Dallas real estate attorney who represents developers in the creation and operation of planned developments and condominiums. She follows POA legislative issues and periodically summarizes and reports on bills pending before the legislature. Her latest reports are posted on CMA’s Board Legislative Information page. Her bill commentary and opinions are her own and do not reflect CMA or TCAA endorsements of comments and opinions.

To view Reuler’s most recent reports:
(used with permission)

- Texas POA Bills by Subject and Status through 4/8/11
- Sen West’s Mega-Omnibus POA Bill SB 142
- House Bills report (through 4-8-11)
- Senate Bills report (through 4-8-11)

Making Some Sense of It.
See the last page of the House and Senate reports, above, for a brief description of the law-making process and terminology applied to bills and actions at various stages of the process.

Also, visit the following:
- TCAA website:
  http://www.txcommunityassociationadvocates.org/. (To view TCAA positions, request a site log-in. Send a request for access to helpca@cmamanagement.com)
- CMA Board Legislative Information Page
- Texas Legislature Online:
  http://www.capitol.state.tx.us/
- CAI FHFA Private Transfer Fee Resource Page

CONSULTING EXPERTS

Spring Webinar Features Landscape Experts
Is your seasonal color and year-round upkeep up to par?

It’s not easy to keep your community’s grounds groomed and green while controlling costs! Here’s your chance for your association to consult the experts who help HOAs trim one of the most substantial line items in their annual budgets -- professional, cost effective, beautiful and sustainable landscapes.

John Vanderpearl and Scott Freis of Precision Landscape Management have more than 30 years of experience in commercial and HOA landscape maintenance. Join CMA host Alice McKee, John and Scott for a half-hour webinar session on Thursday, April 21. They’ll present uncommon wisdom about common area questions and great solutions to keep the grass greener and save dollars on irrigation expense.

They’re experts on fantastic fertilizer, magnificent mulch, sensational succulents, terrific turf...and they’ll be online to answer your questions.

Log-in at 11:30 AM on April 21.
Click here to register now.
Switch: How to Change Things When Change is Hard

By Chip and Dan Heath

The authors of business bestseller Made To Stick make a compelling case for how to get people to change. Switch asks the following question: Why is it so hard to make lasting changes in our companies, in our communities, and in our own lives?

According to the Heaths, the main obstacle is a conflict that’s built into our brains. Psychologists have discovered that the rational mind and the emotional mind—compete for control. The rational mind wants a great beach body; the emotional mind wants that Oreo cookie. The rational mind wants to change something at work; the emotional mind loves the comfort of the existing routine.

In Switch, the Heaths show how everyday people have united both minds to achieve dramatic results. The book outlines the successful pattern you can use to make the changes that matter to you, whether your interest is in changing your community or your waistline.

Quotation

“Give me the liberty to know, to utter and to argue freely according to conscience, above all liberties.”

— John Milton