



### 2024 CAI District of Columbia Legislative Session Report

The CAI District of Columbia Legislative Action Committee advocated on behalf the <u>approximately 106,000 Washingtonians living in 49,700 homes in nearly 2,000 community associations across the District</u>. The 2024 Council began on January 2, 2024, and adjourned on January 10, 2025. Below are highlights from the 2024 DC Council:

## B 25-0106 Comprehensive Electric Vehicle Infrastructure Access, Readiness, and Sustainability Amendment Act of 2023

This bill, carried over from the 2023 legislative session, establishes a right for community association owners to install electric vehicle charging stations as part of the broader policy objective of increasing electric vehicle presence in the District as a way to help meet climate goals.

This bill was the subject of intense negotiations with lawmakers, as the LAC sought to preserve the authority of community associations to impose reasonable rules and regulations, establish insurance practices in line with CAI recommendations, and create an equitable formula for determining the cost burden of electric vehicle charging station installation. CAI's <u>Conservation, Sustainability, and Green Issues Public Policy</u> is in favor of providing pathways to assist associations with accommodating homeowner requests for solar panels, electric vehicle charging stations, and other environmentally friendly elements, however it is not in favor of punitive actions to force compliance, or of taking away an association's ability to reject requests under certain limited circumstances.

The bill was amended to stipulate that associations can impose reasonable rules and regulations regarding installation/operation/maintenance, so long as they do not have the effect of prohibiting a charging station. Additionally, a unit owner must pay for the cost of installation and maintenance, the cost of electricity, and either provide a certificate of insurance naming the association as additional insured or reimburse the association for the cost of an increased premium. Both of these are in alignment with CAI's public policy, however the bill does not contain a clause allowing for the rejection of an installation request based on bona fide safety concerns, instead ordering that homeowners cure any concerns in the design phase. This does not align with CAI's public policy.

Also not in alignment with CAI's public policy is the enforcement language contained in the bill. Associations that willfully violate the requirements of the new law are to be fined \$1000 every 60 days until compliance is reached. This type of punitive enforcement creates a new financial burden for

homeowners unrelated to the dispute, as associations may have to impose a special assessment to cover the cost of a penalty which was not budgeted for.

While the LAC saw a partial success with the amendment process, the LAC will need to revisit the issue in future legislative sessions to further refine and bring the new law into better alignment with CAI's public policies.

Status: PASSED. Effective December 14, 2024.

#### B 25-0639 Licensing for Accountability of Management of Properties (LAMP) Amendment Act of 2023

This bill, carried over from 2023, would create a costly new licensing requirement for any person or firm involved in managing residential property. The course curriculum and administration would be handled by the Real Estate Commission, and the licensing requirement would apply to both individuals and companies that engage in the business of property management in the District.

The LAC opposed this bill. This bill will not offer any new protections, as it is already the best practice of community association boards to secure a fidelity bond for insurance protections for losses that they incur because of fraudulent acts by community association managers. Instead of creating a new manager licensure program supported by taxpayer funds, the CAI encourages self-regulation and national certification through existing industry driven programs. This bill does not provide for the utilization of these programs, meaning that DC taxpayers are being asked to fund a licensing program during a period of financial uncertainty for households across the District.

Additionally, licensing requirements create unnecessary barriers to entry, especially for immigrants with work authorization, individuals with criminal records, low-income, unemployed, and dislocated workers, as well as veterans and military spouses. This bill essentially creates a tax on the District's working families, and that goes against the Council's longstanding goal of providing pathways to economic security.

An email went out to DC-based advocates prior to hearings on July 2 and July 3, providing a template for advocates to use to send an email to the Council in opposition to the bill.

Status: Carried into 2025.

#### B 25-0767 Association Meeting Flexibility Temporary Amendment Act of 2024

This bill extends DC's current temporary rules allowing for community association electronic voting and virtual meetings regardless of whether or not they are specifically outlined in governing documents into 2025.

The LAC supported this bill.

Status: Successfully PASSED. Expires March 1, 2025.

#### B 25-0809 Unlawful Restrictions in Land Records Emergency Act of 2024

This bill temporarily establishes an expedited process for homeowners and associations to remove discriminatory restrictive covenants from deeds and governing documents. It allows association boards to remove such language without a vote of all members of an association, and establishes a process by

which an owner may request an association review governing documents and, if a discriminatory restrictive covenant is found, remove the covenant within 90 days of receiving a request.

The LAC supported this bill.

Status: Successfully PASSED. Expires August 27, 2024.

#### B 25-0957 Association Meeting Flexibility Amendment Act of 2024

This bill makes permanent DC's current temporary rules allowing for community association electronic voting and virtual meetings regardless of whether or not they are specifically outlined in governing documents.

The LAC supported this bill.

Status: Carried over into 2025.

Additionally, the following outstanding issues will continue to be advocated on by the DC LAC in 2025:

**HOA Statute**: DC has a Condo Act, and laws governing cooperatives, but no legislation governing homeowners associations specifically. The DC LAC has been working on developing such an Act for the past several years, and is very close to finalizing an Act based largely on the Uniform Common Interest Ownership Act. Keep an eye out for further updates!

**Building Energy Performance Standards**: The DC LAC recently generated and circulated a white paper to the DC Government concerning problems and fixes to the current laws governing building energy efficiency, and has met with DC officials and presented seminars on the topic. The LAC hopes to chart a way forward that minimizes the cost burden on association homeowners while still allowing for climate goals to be met.

**Insurance Deductibles**: Currently, DC law caps the maximum deductible amount (absent superseding specific language in governing documents) for which a unit owner can be held responsible if damage emanates from owner's unit from \$5,000 to a higher deductible amount, in light of inflation, as well as changes in the insurance market, and changes to typical deductible amounts.

#### **GET INVOLVED IN CAI DC ADVOCACY EFFORTS!**

#### Track DC Legislation

CAI keeps track of legislation throughout the year, so you can stay informed. You can check the legislation that CAI is monitoring around the clock here.

#### **Support and Donate Today**

CAI depends on professional lobbyists funded by community associations, businesses, and individuals to create the best public policy for the community association industry in Maryland. To support their efforts, visit <a href="mailto:caionline.org/lacdonate">caionline.org/lacdonate</a> and select "District of Columbia."

# Join our CAI Advocacy

Ambassador program and become a part of the movement to create positive change. Your voice matters, so sign up now to make your mark!

#### **CAI DC LAC and Chapter Contact Information:**

<u>CAI DC Legislative Action Committee</u> - (888) 224-4321 <u>CAI Washington Metropolitan Chapter</u> - (703) 750-3644