RE: **H.F. No. 1268 and S.F. No. 1750** Testimony –
Heather Kunkle, Managing Partner & Committee Chair

Dear Legislators,

I would like to extend my sincere gratitude to the legislative team for their hard work in drafting and presenting H.F. No. 1268/S.F. No. 1750. Bringing together diverse perspectives on such a complex issue is no small task, and I appreciate the time and effort dedicated to this process.Having worked in the Property Management industry for nearly 20 years—first in rental management and for the past 12 years managing homeowner associations—I have seen firsthand the challenges and responsibilities involved in governing HOAs. I now independently serve a portfolio of clients across the metro and chair the CAI-MN Education Committee, reinforcing my passion for this industry.

I recognize and empathize with the concerns raised by the 14% of homeowners who feel unheard. However, in my experience, this frustration often stems from a misunderstanding of HOA operations rather than a lack of resources or avenues for homeowner input. Board members are volunteers entrusted with maintaining their communities, often with the assistance of professional management companies. When homeowners purchase within an HOA, they agree to abide by the Governing Documents—documents that, while complex, are essential to maintaining the financial and operational stability of the association. Increased homeowner education would be a more effective solution to concerns about enforcement, communication, and decision-making processes.

As currently written, I cannot support H.F. No. 1268/S.F. No. 1750 due to several significant concerns. Key provisions, such as limiting legal fees, late fees, and fines, will shift financial burdens onto compliant homeowners. Allowing governing documents to be amended or dissolution votes to take place without proper quorum requirements could create operational chaos. Requiring board members to meet individually with homeowners prior to enforcement or foreclosure is impractical, as board members and management companies are not debt collection agencies. Additionally, reducing the use of proxies could hinder an HOA's ability to conduct essential business.

The unintended consequences of this bill would likely increase costs for all homeowners, as the legal expenses to revise Governing Documents alone would be substantial. Rather than imposing regulations that disrupt the existing framework, our collective focus should be on promoting transparency, ethical governance, and homeowner education. By ensuring homeowners fully understand their obligations—similar to how they understand their mortgage responsibilities—we can improve compliance and reduce legal expenses.

I remain committed to fostering a strong and successful industry and appreciate the ongoing efforts to address concerns in our communities/industry. Thank you again for your time and dedication to this important issue.

Respectfully,

Heather Kunkle

Heather Kunkle, CMCA AMS
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