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Senator Susan Pha & Members of the Judiciary and Public Safety Committee

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I am writing to express my strong support for SF 1063, currently under consideration by the Judiciary and Public Safety Committee. As a Certified HUD Housing Counselor and Certified Foreclosure Prevention Counselor, I have worked extensively with homeowners facing foreclosure, and I have seen firsthand how disputes with Homeowners' Associations (HOAs) can escalate into costly and unnecessary legal battles.

Support for an HOA Ombudsperson

I strongly advocate for the establishment of an ombudsperson position within the Department of Commerce to help address and resolve disputes between homeowners and HOAs. Too often, minor disagreements spiral into legal conflicts due to a lack of early intervention, mediation, or transparent communication.

In just the past two months, I have personally worked with two homeowners facing foreclosure due to HOA disputes—both of which could have been easily resolved through a structured dispute resolution process. Instead, one homeowner was forced to hire a private attorney, and their case is now heading to federal court for a Fair Debt Collection Practices Act violation against the property management company and law firm. The other homeowner is currently awaiting a judgment hearing for legal fees with Legal Aid representation. Despite bringing HOA dues current, the law firm handling the case delayed depositing the certified check for over a month while continuing to impose excessive and unjust fees. These cases exemplify the urgent need for a fair, accessible, and cost-effective mechanism to prevent such legal and financial crises.

By implementing an independent conflict-resolution system, both homeowners and HOAs would benefit from:

- Reduced legal costs for all parties,
- Fewer unnecessary foreclosures, and
- A more cooperative and well-governed community environment.

An ombudsperson dedicated to HOA disputes would serve as an essential resource, providing guidance, mediation, and oversight to ensure fair resolutions.

Support for an HOA & Common Interest Community (CIC) Registry

I also strongly support the creation of a statewide registry for HOAs and common interest communities (CICs) to enhance transparency, accountability, and homeowner protections. A simple online registration system would be a low-cost, high-impact solution—one that has already been successfully implemented in Florida, Virginia, and Colorado.

Currently, housing professionals and homeowners struggle to access even the most basic information about the HOA, including:

- HOA contact details,
- Governing documents,
- Financial disclosures, and
- Assessment and fee structures.

This lack of transparency often results in mismanagement, financial misappropriation, and unnecessary disputes, creating undue hardship for residents. Furthermore, without a centralized database, state and local policymakers lack the critical data needed to understand how HOAs operate, making it difficult to address systemic issues and enforce fair housing policies.

Conclusion

By establishing an HOA ombudsperson and statewide HOA registry, SF 1063 would provide long-overdue consumer protection for homeowners while improving the governance and accountability of HOAs. I urge the Judiciary and Public Safety Committee to support and advance this critical legislation.

Thank you for your time, leadership, and commitment to protecting homeowners and fostering well-managed HOA communities.