

ADDITIONAL LEGISLATION BEING MONITORED BY THE DC LAC

- **Condominium Fee Fairness Act of 2014 (B20-0648):** Introduced by Councilwoman Muriel Bowser to further amend the DC Condominium Act to include a provision requiring mediation before a unit owners' association can foreclose on a unit for the recovery of unpaid assessments, fees, charges or penalties owed by the unit owner, this bill is opposed by the DC LAC.
- **Residential Real Property Tax Relief Act of 2013 (B20-0022):** Introduced by Councilman Jack Evans to amend Title 47 of the District of Columbia Code to lower the cap on real property assessment increases from 10% to 5% per year and to abolish the requirement that residential real property be assessed at a minimum of 40% of the value of the home regardless of the cap, this bill is being monitored by the DC LAC.
- **Residential Real Property Equity and Transparency Act of 2013 (B20-0023):** Introduced by Councilman Jack Evans to amend Title 47 of the District of Columbia Code to modify property tax delinquency and sale procedures to provide a more equitable and transparent process, this bill is being monitored by the DC LAC.
- **All Business Improvement District (BID)-related bills**, including the D.C. Business Improvement District (BID) Amendment Act of 2013 (B20-0203), introduced by Councilman Jack Evans to amend the Business Improvement District Act of 1996 to update the laws concerning business improvement districts and the means by which BID taxes are collected. In its original form, B20-0203 required that if a member of a BID, each condominium unit owner association act as the collecting agent for the BID tax. The DC LAC successfully opposed this provision of B20-0203, but other BID-related bills are being monitored for the introduction of similar language.

For the Full text of any Bill before the Council, please visit <http://dcclims1.dccouncil.us/lims/>

ABOUT US

The Community Association Institute (CAI) is an international organization dedicated to building better communities, CAI provides education and resources to community association homeowner leaders, professional managers, association management companies and other businesses and professionals who provide products and services to community associations.

Comprised of members of CAI's Washington Metropolitan chapter, the DC Legislative Action Committee (LAC) is responsible for identifying legislative issues of importance to common interest communities in the District. The committee monitors legislation and helps set specific legislative issue priorities.

For more information on CAI, please visit the official website at www.caionline.org

To learn about the Washington Metropolitan Chapter of CAI, please visit www.wmccai.org

To contact a member of the DC LAC, please send an email to info@caidc.org

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LEGISLATIVE ACTION COMMITTEE

community
ASSOCIATIONS INSTITUTE

FACT SHEET

D.C. CONDOMINIUM AMENDMENT ACT OF 2014



THE HISTORY

The D.C. Condominium Act was last amended in 2001. Since that time, changes in technology, the economic environment and the housing market rendered many portions of this law obsolete. The DC Council has approved amendments to the Act to better serve and protect the condominium communities within the District. This legislation awaits the Mayor's signature and Congressional review, but is anticipated to go into effect as early as June 2014. Read on to see how the amendments will impact your community.



NEW INSURANCE PROVISIONS

- Requires Unit Owners to obtain condominium owner's insurance coverage and personal liability insurance coverage.
- Identifies the party responsible for payment of an insurance deductible or uncovered loss under certain circumstances.

MORTGAGEE CONSENT

- Facilitates amendments to condominium instruments by providing mortgagees with a timeframe in which they must respond to notice of an amendment or their silence is deemed consent.

UNIT BOUNDARIES

- Permits the relocation of unit boundaries and subdivision of units unless prohibited by the Condominium Instruments.

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Benefits of the New Condo Act

OPEN MEETING REQUIREMENT

- Defines purposes for executive session.
- Requires all meetings of the Board to be open to all Association members in good standing.
- Requires that a copy of the agenda be made available for review of Association members prior to Board meetings.
- Creates an open forum section during each Board meeting.

ELECTRONIC COMMUNICATIONS

- Permits notice of Board meetings to be delivered electronically.
- Allows Board members to participate in meetings via teleconference.
- Permits ballots and proxies to be submitted electronically.

BOOKS AND RECORDS

- Requires the Association to maintain financial books and records that will be subject to the Unit Owner's right to examination, with certain privacy exceptions.
- Requires minutes of Board meetings to be made available for review by Association members.

BOARD GOVERNANCE AND ACCOUNTABILITY

- Adopts the business judgment rule to govern decisions of the Board of Directors.
- Provides clarification regarding the Association's ability to impose special assessments for the costs of maintaining limited common elements.

- Clarifies the Association's power to convey title upon nonjudicial foreclosure.
- Permits Condominium Boards to pledge as collateral for a loan or otherwise assign the Association's assessment income unless prohibited by the Condominium Instruments.

