



March 13, 2024

House Committee on Corporations

Sent via e-mail:

HouseCorporations@rilegislature.gov

Re: **HB 7865 AN ACT RELATING TO PROPERTY -- CONDOMINIUM LAW**
{LC5613/1} Provides that the “meetings” requirements from 34-36.1-3.08 be applicable to condominiums created before July 1, 1982 and would permit remote participation in condominium meetings.

Hearing Date: March 14, 2024

Dear Representatives:

This letter is written on behalf of the Community Association Institute’s Rhode Island Legislative Action Committee-Rhode Island (“CAI LAC-RI”) **in FAVOR** of House Bill 7865 which seeks to revise Rhode Island condominium law via a change to the “Old Condominium Act” (Section 34-36, which governs condominiums created before July 1, 1982) and the Rhode Island Condominium Act, the “New Act” (Section 34-36.1, which governs condominiums post July 1, 1982). House Bill 7865 permits remote participation in condominium meetings if authorized by the Associations declaration or bylaws. This same bill passed the House last session (HB 5843-SubA) but did not timely have a companion bill in the Senate. There is currently a companion bill in the Senate (SB 2642).

By way of background, I am the Chair of the Community Association Institute (“CAI”) Rhode Island Legislative Action Committee (“RI -LAC”). CAI RI-LAC, is comprised of property managers, attorneys and homeowners who represent condominium communities within Rhode Island, and we speak on behalf of thousands of condominium unit owners and their unit owner organizations in the State. I have been practicing association law in Rhode Island for fourteen years. As of 2022, approximately 91,000 Rhode Islanders live in 2,000 community associations in Rhode Island.

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THE RECOGNIZED VOICE FOR NEW ENGLAND CONDOMINIUMS

Our parent organization, Community Associations Institute (“CAI”), is a global nonprofit 501(c)(6) organization. CAI is the foremost authority in community association management, governance, education, and advocacy. CAI was formed in 1973 by the Urban Land Institute and the National Association of Home Builders to provide the most effective guidance for the creation and operation of condominiums, co-operatives, and homeowners associations. With more than 36,000 members, CAI works in partnership with 63 affiliated chapters within the U.S., Canada, United Arab Emirates, and South Africa, as well as with housing leaders in several other countries including Australia, Spain, Saudi Arabia, and the United Kingdom. The local chapter of CAI, CAI New England, is headquartered in Wellesley, Massachusetts and serves all of the New England States. CAI estimates that there are approximately 74.2 million people living in 28.2 million housing units within over 365,000 community associations (*Treese, The Community Associations Factbook 2018*). Over 1 out of every 4 Americans lives in a community association. *Id.*

Our organization **is FOR** the passage of House Bill 7865 which seeks to amend the Rhode Island Condominium Act (34-36.1) and The Condominium Ownership Act (34-36) by modernizing the method of participation in Association business for all unit owners. This Bill would provide benefits to Rhode Island unit owners that already exist in many other states, and such as already exist for Board members in Rhode Island via the Nonprofit Corporation Act for directors’ meetings, if not prohibited by the applicable documents of the Association (7-6-27).

House Bill 7865 will benefit thousands of unit owners in Rhode Island by allowing Associations to modernize their procedures to utilize technology to conduct association business, therefore allowing for greater participation in Association meetings through the use of digital platforms such as Zoom and Google Meet. Currently many Associations struggle to meet quorum requirements needed to hold valid meetings and voting thresholds to conduct important business per Rhode Island Condominium law due to lack of physical participation- either due to impossibility or inconvenience. This is particularly true with the statutorily required annual meeting of the unit owners. Allowance of such participation will particularly be useful to accommodate part-time owners (e.g. snowbirds) and immunocompromised individuals who cannot be physically present at meetings. House Bill 7865 will allow Associations to decide as a community whether or not to amend their documents to allow for the use of remote means for participation rather than be boxed in to more “old school” ways of participation.

Accordingly, we respectfully request and encourage you to recommend passage of HB 7865. We are happy to provide any further information to the Committee regarding this important Bill. Thank you for your time and consideration.

Very Truly Yours

Mary-Joy Howes
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Chair CAI-LAC-RI

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cc: CAI, RI-LAC (by e-mail)