

February 27, 2024

Senate Committee on Economic Development, Housing and General Affairs Vermont State House 115 State Street Montpelier, VT 05633-5301

Comments Submitted Via: <u>kramhinsdale@leg.state.vt.us</u>, <u>AClarkson@leg.state.vt.us</u>, <u>rbrock@leg.state.vt.us</u>, <u>acummings@leg.state.vt.us</u>, <u>wharrison@leg.state.vt.us</u>

RE: CAI Request for Amendments on S 271 An act relating to a right to charge electric vehicles at home

Dear Chair Hinsdale, Vice Chair Clarkson, and Senators Brock, Cummings, and Harrison,

On behalf of Community Associations Institute¹(CAI) and the 150,000 Vermonters living in 46,000 homes in approximately 2,000 community associations across the Green Mountain State ², thank you for the opportunity to provide background and comment on <u>S 271 An act relating to</u> a right to charge electric vehicles at home.

CAI is the only international membership organization dedicated to the community association model of homeownership. CAI members are homeowners, association board members, managing agents and business partners who work tirelessly to improve the community association model of housing. CAI members have a keen focus on homeowner and board member education, development and enforcement of best practices and ethical standards, and raising standards through credentialing and continuing education requirements for community association professionals. CAI's more than 44,000 members are organized in more than 64 chapters.

For more statistical data on the community association housing model in Vermont, I encourage you to review the <u>Foundation for Community Associations Research (FCAR)</u>, <u>Fact Book: Vermont State Summary: Community Association Data and Information</u>. Community Association Fact Book is published by FCAR and documents the history, current status, trends, and future issues of U.S. community association housing in general. The Fact Book, also provides community association information on a state-by-state basis.

In the <u>2022 Homeowner Satisfaction Survey</u> conducted by FCAR, 89% of people are happy with their covenants and believe they protect their property values, and 89% rate their overall community association experience as good, very good, or neutral.

¹ About CAI and the Community Association Housing Model

² Foundation for Community Association Research 2022 Vermont Community Association State Facts and Figures: https://www.caionline.org/Advocacy/LegalArena/Laws/Documents/Facts%20%26%20Figures/StateFactsFiguresVermont.pdf

CAI respectfully requests that the Committee consider amending Section 3 to include language which would allow for limited instances of refusal by community associations when there is a bona fide safety concern, and removing the provision imposing a penalty.

CAI thanks the Prime Sponsor, Senator Vyhovsky, for introducing S 217, and for the important conversation this bill is starting regarding the shift to electric vehicles seen both in Vermont and around the country. CAI supports Section 3(5) and Section 3(6), which together requires that an owner maintain liability insurance coverage with the community association listed as an additional insured, as well as putting the cost burden for modifications to designated parking spaces, common elements, and limited common elements which might be needed to accommodate the installation of an electric vehicle charging station for the exclusive use of the owner. CAI believes that the desire of one owner to install an electric vehicle charging station should not be immediately shouldered by the rest of the community, as such an electric vehicle charging station would be for the exclusive of one owner instead of the rest of the community.

CAI also supports Section 3(7), which allows for a community association to have its own conversation regarding the installation of electric vehicle charging stations for community use, and decide on its own whether or not to install communal electric vehicle charging stations. This section recognizes the autonomy which is crucial to the functioning of community associations, and allows for homeowners to have agency in deciding the best path forward for their community.

CAI Proposed Amendment Language for S 271 An act relating to a right to charge electric vehicles at home

CAI requests the following language be inserted into Section 3 (4) of S 271:

The administrative body governing the common interest community may deny the installation of an electric vehicle charging station based on bona fide safety requirements, consistent with an applicable building code or recognized safety standard, for the protection of persons and property.

This proposed amendment is taken from existing Colorado statutory language, which provides community associations with a needed protection in response to situations when the desire for an electric vehicle charging station runs into the realities of infrastructure limitations³.

CAI believes that in cases where a good-faith effort is made by the community association board to find a place for an electric vehicle charging station, but due to financial burdens or bona fide structural and building code concerns, is unable to accommodate the request, a board should not be punished. Not every community is going to have the basic infrastructure needed to support an electric vehicle charging station, and in particular older condominium communities. If reasonable accommodations cannot be made due to infrastructure limitations, then there should be a way for community associations to disallow the installation of an electric vehicle charging station without penalty.

³ Colorado Electric Vehicle Charging Stations CO Rev Stat § 38-33.3-106.8 (2017) (caionline.org)

Additionally, CAI requests that the Committee remove Section 3(9) and Section 3(10) due to the unfair burden it would place on homeowners when there is a dispute between a homeowner and a community association.

Community associations are funded via regular assessments paid by homeowners which go towards the day-to-day maintenance of roadways, roofs, clubhouses, and other communally owned property. As these expenses are typically decided in advance, community associations have procedures in place to allow homeowners to vote to increase regular assessments as needed to maintain safety and quality of life standards. When an unexpected expense occurs, community association boards must impose on all homeowners a special assessment, in order to close the gap in funding. Should the penalty provisions of Section 3(9) and Section 3(10) not be removed, then homeowners would be forced to pay for the judgement imposed on the community association, creating unneeded financial stress over a charging station which was requested for the use of only one household. This is simply unfair to neighbors who may not have any idea that someone in their community bought an electric vehicle.

Per CAI's <u>Electric Vehicle Charging Stations Public Policy</u>, CAI supports legislation that recognizes the core principle of self-governance and co-ownership of common property and the community association housing model. As each association is unique, legislation should allow the community to determine the most efficient, fair, and effective method to provide electric vehicle charging stations. It is CAI's firm belief that the decision of one person to purchase an electric vehicle should not turn into a financial burden on the entire community. Electric vehicles are a growing market force, and we need to make sure that all considerations are considered when lawmakers debate legislation intended to increase access.

CAI urges the Committee to amend this bill, and further protect residents living in community associations. Please feel free to contact us to discuss these comments or any legislation impacting community association residents in Vermont.

Respectfully,

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