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TOPEKA

HOUSE OF  
REPRESENTATIVES

COMMITTEE ASSIGNMENTS

CHAIRMAN: INSURANCE AND  
FINANCIAL INSTITUTIONS

MEMBER: HEALTH & HUMAN SERVICES  
UTILITIES & TELECOMMUNICATIONS  
TELECOMMUNICATIONS STUDY  
RULES & JOURNALS

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Mr. Chairman and members of the local government committee,

I want to thank you for the opportunity to discuss with you HB 2557. While I am not confident it is a complete solution for concerns with the abuses of HOAs, it is helping to bring it to light. Many HOAs are doing well, are solvent, and protect the common interests of their communities and their home values. Many do not. I have a constituent whose HOA consistently violates KSA 58-4601 et seq. He has repeatedly requested they obey the law with little help. It has now come to the choice of suing his neighbors (who will then defend the HOA with dues he has paid) or sell his house....where the value is in jeopardy because of mismanagement of the HOA. This legislature in 2009 (I believe), passed a law to hold these organizations accountable, but with no reciprocity if they disregard the law.

Here are a few of the frustrations and violations he has experienced:

- We have a homeowner who is also the Property Manager. He left the HOA board in 2009 and was immediately elected as the property manager in 2010. He writes all of the payment requests (checks) for the HOA. I find this to be a conflict of interest and it is a violation of the HOA bylaws and HB 2472. The bylaws clearly state that the President/Treasurer must sign all checks. The Board then sends me letter stating that they changed the check writing procedure to include a review of the check book by boards members therefore approved. HB 2472 clearly states that no changes can be made to the bylaws without the approval of the HOA.
- The Property Manager states that he conducts monthly audits of the subdivision and yet he does not share the issues or seem to address things as things never change.
- HOA Board of Director Members was elected in 2015 without an election process.
- HB 2472 clearly states that a budget for the year must be presented to the HOA. That did not happen in 2015. I asked and they will not provide. We pay for a website to post all documents and all I get is come to the office to view.
- No finance statements have been provided since April 2015 to present.

- The meeting minutes are delayed and are not provided in a timely manner; 10 days according to HB2472. No HOA monthly meeting minutes are provided since November 2014.
- I have asked for the annual meeting minutes for Jan 2013 for months and could not get them. They finally posted in April 2014. Still no minutes for Jan 2015 meeting.
- Changes are made to the bylaws by board members by ink pen when they deem necessary. No approval from HOA.
- We have HOA members with sheds which is against the bylaws but they refuse to act. Window A/C units at houses that are not approved and HOA board and property don't address.
- They threaten and often times place homeowners on the list of liens on property when they violate and yet they violate policies/procedures/bylaws/HB2472
- We seem to pay for services that are very costly and we as homeowners do not get to see the bids for each of these projects. As an example, \$12,000 to resurface small parking area by pool.

Whether it is HB 2557 or a version thereof, I ask this body to start holding those who abuse these "miniature governments" accountable for their abuses.

Rep. Scott Schwab  
Kansas House Dist. 49  
Kansas House of Representatives