

# Department of Planning and Budget

## 2003 Fiscal Impact Statement

1. **Bill Number:** HB2217

**House of Origin**    ☒ Introduced    ☐ Substitute    ☐ Engrossed  
**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

2. **Patron:** Delegate Suit

3. **Committee:** Courts of Justice

4. **Title:** Property Owners' Association Act; applicability

5. **Summary/Purpose:** Remove the \$150 threshold for determining whether an association is subject to the Property Owners' Association Act (POAA). Instead, the bill provides that the POAA applies to associations registered with the Real Estate Board in accordance with § 55516.1. The bill contains technical amendments.

6. **Fiscal Impact Estimates are:** Preliminary

**6a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2002-03	\$0	0.00	N/A
2003-04	(\$35,000)	0.00	NGF
2004-05	(\$35,000)	0.00	NGF

**6b. Revenue Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2002-03	\$0	0.00	N/A
2003-04	(\$35,000)	0.00	NGF
2004-05	(\$35,000)	0.00	NGF

7. **Budget amendment necessary:** Yes, Item 126.

8. **Fiscal implications:** Currently, community associations register annually with the Department, and pay a \$25 filing fee that is deposited into the Fund. Revenues are used to compensate the Community Association Liaison, and to promote or finance research, information, and education in the field of common interest community management and operation, conflict resolution procedures, and other programs and topics of concern to community associations. The Fund currently collects approximately \$100,000 annually. The Department estimates that approximately 1,400 property owner's associations would no longer register, resulting in a potential revenue loss of \$35,000 annually. This loss of revenue could decrease the Fund's available operating funds to about \$65,000 annually. The Department would reduce expenditures by the same amount by decreasing activities conducted on behalf of the Fund.

9. **Specific agency or political subdivisions affected:** Department of Professional and Occupational Regulation.

10. **Technical amendment necessary:** No.

**11. Other comments:** None.

**Date:** 1/15/03/djy

**Document:** G:\02-04Budget \Legislation\2003Session\DPOR\HB1941.Doc

cc: Secretary of Finance

Secretary of Commerce and Trade

Director, Department of Professional and Occupational Regulation