

Position Statement Regarding HB 3545: Relating to Subject Property Deed to a County

Dear Chair Pham, Vice Chair Anderson, and Senators Broadman, Nash and Patterson:

I am writing on behalf of the Oregon Legislative Action Committee for Community Associations to express our continued strong opposition to House Bill 3545, which would permit counties to be delay payment of community association assessments for an indeterminate length of time. As advocates for the stability and well-being of community associations across the state, we urge you to reject this legislation, as it would severely undermine the financial health of condominiums and homeowner associations, ultimately harming the residents we collectively serve.

We believe this legislation, if passed, will have a significantly adverse impact on the approximately 585,000 Oregon residents living in condominiums and homeowners associations.

Key Concerns with HB 3545

1. Assessments Are Essential for Operations, Not Consumer Debt

Community assessments fund critical services such as landscaping, waste management, security, infrastructure repairs, and utilities. These are contractual obligations tied to real, recurring expenses—not discretionary consumer debt. Even with a lien on the property, the delay of receipt of assessments would disrupt cash flow, forcing associations to deplete emergency reserves, halt maintenance, or levy special assessments on owners to compensate. This unfairly shifts the county’s financial burden onto residents, many of whom are already taxpayers.

2. Jeopardizes Community Health and Safety

Delayed payments could result in deferred maintenance of roads, streetlights, or stormwater systems, creating safety hazards and long-term liabilities. Associations may also struggle to pay vendors, leading to service interruptions in trash collection or security—outcomes that directly impact quality of life.

3. Sets a Dangerous Precedent

Allowing a governmental entity to unilaterally delay contractual obligations risks normalizing non-payment, encouraging similar demands from other parties. This undermines the binding nature of covenants that sustain community associations.

4. Double Burden on Residents

County residents living in these communities would face a dual detriment: potential tax increases to address county budget shortfalls *and* higher fees or reduced services due to delayed assessments.

5. Unclear Language around Assessments. The bill as amended uses unclear language to describe the assessments that are included and excluded from this bill. This includes the

use of the phrase “association’s dues schedule” to describe how notice of the assessments shall be provided to the county. However, “dues schedule” is not defined nor is a common term used in community associations. The second relating to the exclusion of fines, penalties, etc., that are a result of violations of governmental entities is also similarly unclear.

A Collaborative Path Forward

While we recognize the fiscal challenges counties may face, this bill unfairly targets community associations, which lack the resources to absorb such delayed assessments. We respectfully urge you to oppose HB 3545 and invite dialogue to explore alternatives, such as:

- A set time frame, such as six months to a year, during which counties could delay making assessment payments (still secured by a perfected lien).
- After the initial period of accrued assessments, making structured payment plans for counties facing temporary hardships.
- State-level support to counties without compromising community obligations.
- Transparent discussions with stakeholders to address root causes.

Our committee stands ready to collaborate on solutions that uphold the interests of both local governments and the communities they serve. Please contact me at 971-258-2826 or andrea@bridgetowncm.com to discuss this matter further. Thank you for your attention to this urgent issue.

Sincerely,
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