

Sept. 23, 2013

Steven V. King
Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive SW
PO Box 47250
Olympia, WA 98504-7250

RE: Docket UW-131386

Dear Mr. King :

I co-chair the Washington State Community Association Institute Legislative Action Committee (WSCAI-LAC). Our committee is set to meet next week and would like the opportunity to provide a more formal position at such time. We are not opposed to government regulation where needed and appropriate. It is important to note that the proposed changes to WAC 480-110-255(2)(e) and (f) do not relate to health and safety. Homeowner Associations (HOAs) that administer water systems are by all means subject to standards and oversight from the Department of Health. The proposed changes are about regulation and whether a homeowner association should be regulated by the Washington Utilities and Transportation Commission ("UTC"). HOAs are currently exempt from such regulation, as are municipalities, water districts, local improvement districts and "entities or persons that provide water only to the tenants as part of the business or renting or leasing."

This exemption is appropriate given the quasi-governmental structure and responsibilities of HOAs.

HOAs are now increasingly required to maintain, repair and replace infrastructure that historically fell under the umbrella of municipalities. In many respects Association's operate much like quasi-municipalities. They hold elections. They are required to create annual budgets, adopt and enforce rules and levy assessments that are tied to property ownership. When forced to take on municipal-type obligations, associations should be allowed to operate in accordance with their own governance structure, subject to existing statutes, without the additional cost and burdens of unnecessary regulatory oversight. In short, if there is a problem related to HOAs that operate water systems, we would like be involved in fashioning a response. Absent a compelling need for additional regulation, we believe the

existing exemption should remain in place.

19101 36th Ave. W., Ste. 205
Lynnwood, WA 98036

P 425.778.6378

F 206.770.6123

info@wscai.org

www.wscai.org

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Sincerely,

//s Jeremy Stilwell

Jeremy L. Stilwell