

Statement on SB 1551

Chair Golden
Vice-Chair Nash
Senator Girod
Senator Prozanski
Senator Taylor

Members of the Oregon Senate Committee on Natural Resources and Wildlife,

On behalf of the Community Associations Institute Oregon Chapter (CAI Oregon) Legislative Action Committee (LAC), which represents the interests of approximately 565,000 Oregonians residing in 228,000 homes within more than 3,980 community associations across our state, we write to share our position on SB 1551, recently introduced relating to fire hardening of residential properties.

At the outset, we want to note that CAI Oregon did not receive prior communication or outreach regarding this legislation, despite the fact that several co-sponsors have worked closely with our organization on other community association related legislation. Given the complexity and real-world operational impacts of SB 1551, early stakeholder engagement would have been valuable and remains critical as this bill moves forward.

The Oregon LAC strongly supports the goal of SB 1551 to encourage wildfire mitigation and ensure Boards are not unreasonably blocked from installing fire-hardened materials. Voluntary fire hardening improvements (particularly in wildfire prone regions of Oregon) are essential for public safety, community resilience, and long-term housing stability. CAI Oregon and its members have consistently supported policies that promote responsible mitigation and risk reduction. Many of the FireWise communities in Oregon are managed by our membership and supported by our business partners.

While supportive of the bill's intent, SB 1551 as currently written creates significant implementation, governance, and legal challenges for Oregon's planned communities, most of which are overseen by volunteer boards and administered by professional managers acting under contractual obligations.

1. Over-Narrowing of Architectural Control Authority - Architectural control is a creature of contract, negotiated, adopted, and relied upon by homeowners when they purchase into a community. These standards preserve the unique character, aesthetic cohesion,

and property values that are often foundational to a community's identity. Section 4 of SB 1551 goes beyond prior statutory models by:

- a. Removing the Board's ability to apply community-specific standards;
 - i. Voiding existing governing document provisions retroactively; and
 - ii. Interfering with private contractual agreements currently in place across hundreds of Oregon communities.
 - iii. Restricts the Board ability to make flexible decisions that still meet the ethics of the community guidelines.

This approach differs meaningfully from other successful statutory frameworks where the Legislature preserved reasonable HOA discretion while advancing important public policy goals.

2. The "10% Cost Rule" Is Unworkable in practice - The bill's requirement that associations may not require a fire-hardened material that costs more than 10% above another option of similar quality presents one of the most significant challenges.
 - a. In practice: Fire-hardened materials routinely cost significantly more than non-hardened or baseline alternatives. Material pricing fluctuates rapidly based on supply chains, region, labor availability, and insurance requirements. Boards would be forced into the role of construction pricing arbitrators, a function they are neither equipped nor insured to perform.

Even within the category of fire-hardened materials, differences in appearance (for example, siding profiles or shingle styles) can materially impact a community's architectural cohesion while still meeting fire-resistance standards.

3. Comparison to ORS 94.778 (Solar Panels) - Oregon already has a strong and effective model on evolving policy while still honoring the uniqueness of each community and maintaining the original contract authority, ORS 94.778, governing solar panel installations. That statute:
 - a. Prevents flat prohibitions;
 - b. Preserves the ability of communities to apply reasonable aesthetic and placement standards; and
 - c. Has worked exceptionally well in practice.

From a management perspective, we have seen very few disputes and no systemic enforcement issues under ORS 94.778. SB 1551 would benefit from aligning more

closely with this proven framework rather than introducing rigid numeric thresholds that invite conflict.

4. Shared Boundary and Common Property Conflicts -SB 1551 does not adequately address:
 - a. Shared boundary fences, which frequently involve cost-sharing, maintenance obligations, and neighbor consent; or
 - b. The distinction between individually owned property and association-maintained common property.Absent clarification, the bill risks increasing neighbor-to-neighbor disputes and placing associations in untenable enforcement positions unrelated to wildfire safety.
5. 60-Day Deemed Approval Risk - The 60-day deemed-approval provision creates exposure for:
 - a. Increased liability for associations acting in good faith but under resource constraints.Many communities are run by volunteers and modest flexibility in review timelines would significantly reduce unintended consequences.

The LAC respectfully urges the Legislature to advance SB 1551 with targeted amendments that:

- Replace the rigid 10% cost threshold with a reasonable aesthetic-compatibility standard;
- Preserve modest flexibility in architectural review timelines; and
- Protect association obligations related to common property and infrastructure;
- Clarify shared-fence and boundary responsibilities.

CAI Oregon has successfully navigated similar evolutions involving solar panels, childcare uses, drought-resistant landscaping, and portable cooling devices all through balanced statutory approaches that protect homeowners' rights without stripping associations of their ability to apply reasonable, community-specific standards.

With thoughtful refinement, SB 1551 can achieve its wildfire-mitigation goals without creating avoidable disputes, inconsistent enforcement, or unnecessary litigation risk for Oregon's communities.

We appreciate your consideration and welcome the opportunity to work collaboratively with the Committee and bill sponsors to strengthen this legislation.



Respectfully,

CAI Oregon
Legislative Action Committee (LAC)

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