

The Community Association Institute's About CAI web page¹ reads, in part,

Community Associations Institute (CAI) is a national organization dedicated to fostering vibrant, competent, harmonious community associations. For more than 30 years, CAI has been the leader in providing education and resources to the volunteer homeowners who govern community associations and the professionals who support them. Our members include community association volunteer leaders, professional managers, community management firms, and other professionals and companies that provide products and services to associations.

. . . .

CAI also advocates for legislative and regulatory policies that support responsible governance and effective management. We represent the interests of our members before the U.S. Congress, federal agencies, and other policy-setting bodies on issues In addition, state Legislative Action Committees represent CAI members before state legislatures and agencies on issues such as assessment collection, foreclosure, and construction defects.

These two contradictory paragraphs reflect CAI's "dual personality", one for the media and public at large, and one displayed before the courts and the legislators. The first paragraph speaks of working for HOAs as its mission. HOAs that are not, and cannot be, CAI members. The second paragraph speaks directly to working for its members, the predominant attorneys and management entities, with a few "volunteers" who are living in an HOA.

While the first paragraph speaks of educating the individual board members, referred to as "those who govern community associations," it misleads the readers and general public by failing to explicitly state that such education comes from a 501(c)6 business trade organization and not a genuine 501(C)3 educational organization. In other words, the education is obviously geared to supporting the attorneys and management firms rather than supporting the homeowners who own the associations.

It is very difficult to reconcile "fostering vibrant, competent, harmonious community associations" with representing "the interests of our members". The proof of the pudding, as in other such tests of intent, lies in the actions of CAI before the courts and the legislatures.

An examination of the CAI "Central" conflict of interest position for state Legislative Action Committees (LAC) will help. This policy position² states, in part,

The Delegates of the Legislative Action Committee (LAC) owe a duty of loyalty to Community Associations Institute (CAI) which requires that in serving CAI they act, not in their personal interests or the interests of others, but rather solely in the interests of CAI. Delegates must have undivided allegiance to CAI's mission and public policies

Prior to participating in any briefings, discussions, strategy sessions or lobbying activities . . . the Delegate must make full disclosure to the best of his or her knowledge of any interest inconsistent with this policy in a proposed issue, transaction, legislative or regulatory strategy, or policy position by submitting a written report to the Chair of the G&PA Committee . . . for CAI.

Each Delegate has a duty to place the interests of CAI and adherence to CAI's public policies foremost in any dealings involving CAI and has a continuing responsibility to comply with the requirements of this Policy.

Adopted by the CAI Board of Trustees on August 4, 2003

As paragraphs one and three above of this policy statement clearly indicate, the lobbyist works for the interests of CAI, and not for HOAs or homeowners. And as stated in "About CAI" above, CAI is there to support the interests of its members, the HOA vendors. Paragraph two speaks only of disclosing any conflicts of interest to CAI and not to the government entity, the court, or agency, or legislature. It says nothing candor to an agency, government official or legislator when advocating legislation.

Perhaps this is why we witness CAI lobbyists, across all the states, many of them attorneys and management entities with CAI designations, still making misleading statements proclaiming that they represent HOAs or homeowners in general. Where is the professionalism? Where is the candor to the legislators as required of attorneys before the courts?

Still, we need to know how CAI integrates, if at all, its contradictory positions on vibrant and harmonious communities and its objective to support its members. A look at CAI's LAC guidelines³ is revealing. Its Preamble states,

As the national advocate for community associations, CAI is committed to encouraging the active participation of community association advocates in helping define community association law. . . . All such efforts reflect CAI's dedication to representing the government *and* public affairs interests of CAI members.

In order to ensure vibrant and effective community associations, it is critical that CAI and its members integrate themselves into the public policy process. As the community association model expands, government actors will increasingly try to regulate and control a host of issues important to our industry.

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It is CAI's intent that the following *LAC Operational Guidelines* will serve as a valuable resource to LAC *and* chapter leaders, while helping every LAC achieve enhanced success in the service of CAI members.

What does CAI mean by "important to our industry"? It could only mean those who serve the nonprofit HOA organizations, since it would be strange to refer to nonprofit organizations, say, charitable organizations, as an industry.

Aside from these policy guidelines outlining proper LAC actions, other specific actions are revealing of its true feelings about vibrant and harmonious communities. For example, CAI's opposition to impartial adjudication of HOA disputes, as witnessed by its opposition to legislation for Justice of the Peace Courts or the Office of Administrative Hearings in Arizona. Or its lack of support for a Member Bill of Rights (left blank) in the rewrite of the California Davis-Stirling Act governing CIDs. There are more examples. Or, its opposition to the application of constitutional restraints on HOAs, as stated in its amicus brief in the Twin Rivers, NJ appeal. Or its CEO's confusion that HOAs are not governments, but are democratic businesses, as stated in his *Ungated* blog. (Again, another set of contradictory CAI statements. If HOAs are democratic, why the opposition to constitutional protections?)

Based on the above CAI materials, we can safely conclude that CAI has equated "vibrant and harmonious communities" with "as defined in terms of the best interests of CAI members". It is highly irrational to believe and accept that the two are the same, that the interests of the homeowners, and even the HOA corporation, are identical to those of the vendors servicing HOAs. Yet, this is the CAI position, while at the same time its lobbyists are proclaiming to the legislators that CAI speaks for the best interests of the HOA and the homeowners.

The above materials also confirm CAI as a national lobbying organization with CAI "Central" controlling the local chapter LACs. CAI is a top-down structure. There is no voice of the homeowner community.

This situation is very similar to the management-employee conflicts. Management, and the businesses, have many trade groups. So do the HOAs, the HOA attorneys and the HOA management firms. Where are the trade groups, the professional associations, for the employees? Who speaks for the owner-members, the "employees of the HOA business? Who protects their interests? Surely it cannot be the national trade lobbying organization, CAI!

Homeowners and homeowner rights advocates cannot continue to allow legislators to succumb to this lack of candor by CAI. Advocates must educate the legislators to accept CAI for what it truly is. Advocates must expose all legislators who choose to support CAI and other special interest, not stakeholders, but "interlopers", in preference to the defense of constitutional freedoms and rights of the people themselves, the homeowners.

And advocates cannot allow legislatures to continue to appoint CAI to train HOA management firms, as in Virginia and Florida, and believe that this is in the best interests of its citizens.

Endnotes

¹ ABOUT CAI, America's advocate for responsible communities, <http://www.caionline.org/about/index.cfm> (Aug. 22, 2008).

² Legislative Action Committee Delegate Conflict of Interest Policy, http://www.cai-az.org/doc/AdobeViewer.asp?doc_filename=/HOA/assn10844/forms/Conflict%20of%20Interest%20Form.pdf&sfind=&print=1&doid= (Aug. 22, 2008).

³ Community Associations Institute, LEGISLATIVE ACTION COMMITTEE (LAC) OPERATIONAL GUIDELINES, http://www.cai-az.org/doc/AdobeViewer.asp?doc_filename=/HOA/assn10844/forms/LAC%20Operational%20Guidelines.pdf&sfind=&print=1&doid= (Aug. 22, 2008).