



Community Associations Institute's (CAI) California Legislative Action Committee (CLAC) had a busy legislative session advocating on [behalf of the approximately 14 million Californians living in 4,903,000 homes in more than 49,000 community associations](#). There were more than 775 bills introduced, and the CLAC closely monitored the following bills that would have direct impact on community associations. Below is a brief overview:

**[AB 502](#) Common interest developments: election requirement.** CLAC supported this legislation, introduced by Assemblywoman Laurie Davies, which allows election by acclamation for all associations when the number of candidates is equal to or less than the number of open board seats, deleting the 6,000-unit limitation for election by acclamation. Existing law had previously provided for director nominees to be considered elected by acclamation if the number of director nominees is not more than the number of vacancies to be elected, the associations included 6,000 or more units, the association provides individual notice of the election at least 30 days before the close of the nominations, and the association permits all candidates to run if nominated, except as specified. However, the Legislature did extend the time for initial notice of an election and requires an additional individual notice to the membership. An association is also limited to no more than three consecutive elections without a secret ballot election.

The bill was signed by the Governor and will take effect January 1st, 2022

**Status: SUCCESSFULLY PASSED**

**[AB 1101](#) Common interest developments: funds: insurance.** Proposed by Assemblywoman Jacqui Irwin, CLAC sponsored this legislation to clean up issues with the financial security bill (AB 2912). This bill clarifies the type of insurance an association needs to protect against embezzlement. The bill also clarifies when a transfer requires board approval.

The bill was signed by the Governor and will take effect January 1st, 2022

**Status: SUCCESSFULLY PASSED**

**[AB 1584](#) Housing omnibus.** This omnibus legislation allows an Association Board to update governing documents to be comply with existing rental restrictions without a vote of the membership and extends the deadline to amend the documents to July 1, 2022.

The bill passed the legislature with bipartisan support and was signed by the Governor and will take effect January 1st, 2022

**Status: SUCCESSFULLY PASSED**

**[SB 9](#) Housing development: approvals.** This legislation allows for lot splits in single-family residential communities in a housing development of no more than two units in a single-family zone (duplex), the subdivision of a parcel zoned for residential use into two parcels (lot split), or both. Originally CLAC opposed the legislation unless the language was amended to exclude common interest developments. The author of the bill submitted a Letter to the Journal clarifying the bill was not intended to impact the governing documents of a common interest development.

The bill was signed by the Governor and will take effect January 1st, 2022

**Status: PASSED**

**SB 60 Residential short-term rental ordinances: health or safety infractions: maximum fines.** Senators Glazer and Bauer-Kahan proposed this legislation to authorize local governments to increase penalties for individuals who violate short-term rental ordinances and create a health or safety issues. This legislation raises the maximum fines for violation of a short-term rental ordinance that poses a threat to health or safety, to \$1,500 for a first violation, \$3,000 for a 2nd violation of the same ordinance within one year, and \$5,000 for each additional violation of the same ordinance within one year of the first violation. The bill would make these violations subject to the process for granting a hardship waiver.

The bill was signed by the Governor and took effect on September 24th, 2021

**Status: SUCCESSFULLY PASSED**

**SB 391 Common interest developments: emergency powers and procedures.** CLAC supported this legislation, proposed by Senator Min, that allows common interest developments to conduct meetings via teleconferencing. This bill authorizes common interest development boards to meet by teleconference, without identifying a physical location where CID members may attend, in an area affected by a disaster or emergency which makes it impossible to meet in person.

The bill was signed by the Governor and took effect on September 23rd, 2021

**Status: SUCCESSFULLY PASSED**

**SB 432 Common interest developments.** Proposed by Senator Wieckowski, the CLAC supported this bill that made clarifications and revisions to the Davis-Stirling Act which governs common interest developments. These revisions make specific changes to common interest developments election practices, including requiring (rather than authorizing) a homeowners association to disqualify a nominee for a board director slot under specified circumstances; clarifying a candidate for an association board must be in compliance with a payment plan for any overdue assessments (rather than simply being required to enter into a payment plan); specifying any requirements placed on nominees must also be placed on existing directors; amending the corporations code for recall elections to be consistent with the election timelines in the Civil Code; and requiring an HOA to retain election materials for one year after the election.

The bill was signed by the Governor and took effect on October 7th, 2021

**Status: PASSED**

For more information on the CLAC's activities and community association legislation in California, visit [caiclac.com](http://caiclac.com).

### California Contact Information

[Community Associations Institute – California Legislative Action Committee](http://www.caionline.org/lacdonate) (888) 224-4321

#### **YOUR ASSISTANCE IS NEEDED!**

The CLAC may rely on professional lobbying as a vital and integral part of the legislative process. As volunteers, CLAC members including homeowner leaders, community managers, and business partners, significantly rely on this highly effective professional representation. In addition to contributions from management companies and business partners, the CLAC needs your financial support to bolster their advocacy activities in 2021 and beyond. We encourage donations from California community associations, business partners, and individuals. Please visit [www.caionline.org/lacdonate/](http://www.caionline.org/lacdonate/) and donate to "California" to support our continued efforts.