



Big Changes Coming to California Associations as a Result of SB 323

Over the weekend, Governor Newsom signed Senate Bill 323 into law with it becoming effective on January 1, 2020. This law - which was strongly opposed by most HOA industry groups - implements significant changes to the way associations will function going forward. The most important changes include:

1. Limitations on the ability to set Board member qualifications;
2. Limitations on the ability of Boards to disqualify potential candidates for the Board;
3. Strictly prohibits an association from revoking an owner's right to vote;
4. Strictly prohibits an association from retaining its management company - or any existing vendor - from acting as the Inspector of Elections (even if previously allowed in the Election Rules);
5. Creates additional election notification requirements prior to sending out election ballots;
6. Allows individuals challenging election results to review more than just the ballots (outside signature envelopes; voter list);
7. Requires that member mailing lists now include homeowner email addresses.

As a result of this law, most common interest developments in California will need to amend their Bylaws and/or Election Rules to ensure compliance. Contact Angius & Terry today to discuss options for addressing these changes and to plot a course of action for your communities.

Please contact us for more information.

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