

CALIFORNIA HOA BOARD EDUCATION BILL RESURFACES

California [AB 2806](#), providing basic education for volunteer Boards of Directors who are elected by their neighbors to govern their homeowners associations (HOAs), was introduced in the Assembly on February 22. Like its 2007 predecessor¹, this legislation is designed, in the author's words, to provide "... greater knowledge of the governing statutes [that, in turn] will yield fewer and less intense disputes among the 9,000,000 homeowners and their boards"...

Currently in California, there are no statutory qualifications needed in order to be elected as an HOA Director, despite the fact that Directors are charged with the serious fiduciary obligation to govern their communities in a lawful and fiscally responsible manner. Certainly, as the controlling statutes have been amended more than 45 times, this bill has been introduced to help the hundreds of thousands of volunteer board members in more than 40,000 associations to be more aware of, and more knowledgeable about, the laws that have imposed on them over the last several years.

Additionally, in California, a majority of HOAs does not have an attorney or certified manager to provide counsel and direction to board members.

Among the amendments currently being considered as co-authors are sought:

- 1. Directors may participate in a half-day course once every four calendar years; they then shall disclose whether they have completed the course to the association membership in the election material that each member receives. The course is to be approved by the Department of Real Estate; such approval is at no cost to the State.*
- 2. Associations shall budget funds which may be used to pay for or reimburse the board members' reasonable expenses to participate in the education;*
- 3. Nothing in this bill shall alter or affect board members' statutory immunities or liabilities based on whether they have completed the educational course.*

As envisioned by the drafters, this bill will greatly assist board volunteers to fulfill their fiduciary duty to their neighbors. They will learn about fiscal reporting, assessment collections, common area maintenance, election procedures, notices and disclosures to members, insurance and risk management, members' rights to access books and records, transfer of ownership interests, and dispute resolution.

¹ California saw the introduction of [SB 948](#) in February, 2007.

With the ever-changing statutes, this course can only improve the boards' awareness of various laws, and assist board volunteers in complying with them. It should also reduce the number of legislative "fixes" that are requested of the Legislature annually.

If you want to weigh in with your legislators on this issue, the front page of the [California State Legislature](#) site (right hand, mid-page) can help you confirm your elected officials.

Be sure to stay in touch with CAI-CLAC (California Legislative Action Committee) on this and other important measures at [CAI-CLAC](#).