RESOLUTION 07-01-2026

TEXT OF RESOLUTION

RESOLVED that the Conference of California Bar Associations recommends that legislation be sponsored to amend Civil Code section 4950 to read as follows:

§ 4950

(a) The minutes, minutes proposed for adoption that are marked to indicate draft status, or a summary of the minutes, of any board meeting, other than an executive session, shall be available to members within 30 days of the meeting. The minutes, proposed minutes, or summary minutes shall be distributed to any member upon request and upon reimbursement of the association's costs for making that distribution. There shall be no charge for minutes distributed electronically.

(b) The minutes, or minutes proposed minutes, shall include, but not limited to the following:

1. Date of the meeting;
2. Time of the meeting;
3. Location of the meeting, and when;
4. The type of meeting, such as regular, special, emergency, executive, committee;
5. Whether notice and agenda of the meeting was given to the membership;
6. Names of directors present;
7. Names of absent directors;
8. Whether members also present, and names and titles of any guest speakers.

~~(b)~~(c) The annual policy statement, prepared pursuant to Section 5310, shall inform the members of their right to obtain copies of board meeting minutes and of how and where to do so.

(Proposed new language underlined; language to be deleted stricken)

PROPONENT: San Diego County Bar Association

STATEMENT OF REASONS

The Problem (including Existing Law): Presently, while there is a requirement that meeting minutes of the Board of Directors of an association must be kept, there isn't any requirement as to what those minutes must contain. Hence, meeting minutes for some associations do not have basic information, such as what was decided, and how each director voted, or even which directors were at the meeting!

Also, associations may charge members for requesting meeting minutes, even though Civil Code section 5205 (f) only allows an association to collect the actual costs of copying and mailing, and there aren't any variable costs for emailing.

The Solution: This resolution specifies the minimum content of meeting minutes, and makes clear that there isn't any copying or mailing costs for emailed minutes. This improved version of

Resolution 02-05-2025 addresses the concerns voiced in objection to that previous Resolution. This Resolution only requires the essential elements of what should be included in meeting minutes.

IMPACT STATEMENT
This resolution does not affect any other law, statute, or rule.

CURRENT OR PRIOR RELATED LEGISLATION
This Resolution is essentially the same as section 7 of AB1184 (2026: Patterson). AB1184 includes some of the provisions of AB21 (2025: De Maio), which didn't get out of committee due to scheduling issues. Assemblymember Patterson has "brought back" certain provisions of AB21. This Resolution is an improved version of Resolution CCBA No. 02-05-2025, which was rejected by the delegates, presumably because it required too many details in the minutes. This Resolution should get passed so that CCBA can support AB1184, at least as to this provision.

AUTHOR AND/OR PERMANENT CONTACT:
Edward M. Teyssier, 3200 Highland Avenue, Suite #300, National City, CA 91950, email: edwardtlp@sbcglobal.net, cell: 619-274-6432.

RESPONSIBLE FLOOR DELEGATE: Edward M Teyssier

RESOLUTION 07-02-2026

TEXT OF RESOLUTION

RESOLVED that the Conference of California Bar Associations recommends that legislation be sponsored to add section 4941 to the Civil Code as follows:

§ 4941
(a) If open session meetings of the board are electronically recorded using audio, or audio and video, the recordings shall be considered a record of the association, and shall be made available to members on the same basis as written meeting minutes.
(b) Notice shall be given at the beginning of every open session of the board that the meeting is being recorded.

(Proposed new language underlined; language to be deleted stricken)

PROPONENT: San Diego County Bar Association

STATEMENT OF REASONS

The Problem (including Existing Law):

Members of associations should have a way of verifying and confirming that their board's meeting minutes are accurate.

Associations are required to keep minutes of their Board's meetings, and a draft version of thos meeting minutes must be made available to any member who requests after 30 days of the meeting. (Civil Code §4950.) But there isn't any way for a member to know whether those minutes, due to either inadvertence or improper intent, are accurate.

Board meetings are typically recorded for use by the Association's secretary or its management agent for the purposes of drafting the minutes and are also available to the Board members. But then those recordings are not available to the membership.

The Solution: This resolution adds Civil Code section 4941 to require that, if the open session board meetings are going to be electronically recorded anyway, then the members will have at least an audio or audio and video record to verify what transpired at the meeting. This Resolution would not impose requirement that is either onerous or costly. Since 2020, when COVID-19 made in-person meetings difficult, many homeowner associations all over the state have been conducting their monthly board meetings on-line. Hence, associations have the means for electronic recording readily available, and in fact, have been using those recordings for use in making minutes of meetings. All this Resolution would do is allow the member the same access to meeting recordings that are already available to the Board.

IMPACT STATEMENT

This resolution may require additional statutory changes. Civil Code section 5205, the section that applies to association records, such as meeting minutes, might need to be updated to handle making copies of audio and video recordings.

CURRENT OR PRIOR RELATED LEGISLATION

This proposed resolution is an improved version of CCBA Resolution 02-04-2025, that was not adopted. That Resolution _required_ recording of HOA Board meetings without exception. Resolution 02-04-2025 also reflected the language of AB21 (2025: De Maio). That bill died in committee due to scheduling problems. But during the review of that bill, the Assembly Housing and Community Development commented that AB21 "may not actually strike the right balance of promoting accountability and transparency while also minimizing the cost on homeowners in these HOAs." It suggested that electronic recordings of session meetings "if made" be made available to members, as opposed to _requiring_ the session meetings to be electronically recorded. This Resolution adopts that recommendation. The language of this bill is essentially the same as the current version of AB21, which is: AB1184 (2026: Patterson). Adoption of this Resolution would allow CCBA to write a letter in support of that legislation, at least as to this issue.

AUTHOR AND/OR PERMANENT CONTACT:

Edward M. Teyssier, 3200 Highland Avenue, Suite #300, National City, CA 91950, email: edwardtlp@sbcglobal.net, cell: 619-274-6432.

RESPONSIBLE FLOOR DELEGATE: Edward M Teyssier

RESOLUTION 07-03-2026

TEXT OF RESOLUTION

RESOLVED that the Conference of California Bar Associations recommends that legislation be sponsored to amend Civil Code section 4910 as follows.

§4910
(a) The board shall not take action on any item of business outside of a board meeting.
(b) (1) Notwithstanding Section 7211 of the Corporations Code, the board shall not conduct a meeting via a series of electronic transmissions, including, but not limited to, electronic mail, except as specified in paragraph (2).
(2) Electronic transmissions may be used as a method of conducting an emergency board meeting if all directors, individually or collectively, consent in writing to that action, and if the written consent or consents are filed with the minutes of the board meeting. These written consents may be transmitted electronically.
(c) A majority of the directors shall not, outside a meeting authorized by this article, use a series of communications to deliberate or act on any item of business within the authority of the board, except in an emergency. Informational or ministerial communications that do not solicit responses, or do not involve discussion among a majority of directors, or do not result in board action, are not prohibited by this subdivision.

(Proposed new language underlined; language to be deleted stricken)

PROPONENT: San Diego County Bar Association

STATEMENT OF REASONS

The Problem (including Existing Law): Until a recent court decision held otherwise, it was generally understood that the Board of Directors of an association was required to conduct the business of the association at a properly noticed and open meeting.

However, a few years ago, the Fourth District Court of Appeal ruled in *LNSU#1 v. Alta Del Mar Coastal Collection Community* (2023) 94 Cal App 5th 1050, that all of the Board discussions, debates and compromises were deemed allowed under section 4910, just as long as the final vote wasn't taken in secret. This means that by the time of the open Board meeting, all the discussions, debates and compromises have already occurred and the members in attendance have no idea what the Board is voting on. All the members hear is the Board's final vote, without even any clarity as to what the vote is about, or why. (It's worse than trying to watch a movie while blindfolded!)

The Solution: This resolution adds subsection (c) to Civil Code section 4910 to reverse the Fourth District's LNSU#1 ruling by again prohibiting the Board from conducting the business of the association in secret by prohibiting discussions among a majority of directors except at Board meetings.

IMPACT STATEMENT
This resolution does not affect any other law, statute, or rule.

CURRENT OR PRIOR RELATED LEGISLATION
This proposed resolution is essentially the same as section 3 of AB1184 (Patterson, 2026). It is an improved version of CCBA Resolutions 02-02-2024, and 02-07-2024, which both failed. Resolution 02-02-2024 is similar to AB21 (De Maio: 2025), that died in committee. Those Resolutions and Assembly Bill did not make it clear that the prohibition against backroom meetings still allowed for emergency, informational, or ministerial communications that do not solicit responses. Resolution 02-02-2024 was not passed by the delegates and AB21 bill died in committee due to scheduling problems. This Resolution addresses the concerns voiced about those previous CCBA resolutions by specifically allowing for emergency, informational, or ministerial communications that do not require a response, nor involve a majority of directors.

AUTHOR AND/OR PERMANENT CONTACT:
Edward M. Teyssier, 3200 Highland Avenue, Suite #300, National City, CA 91950, email: edwardtlp@sbcglobal.net, cell: 619-274-6432.

RESPONSIBLE FLOOR DELEGATE: Edward M Teyssier

RESOLUTION 07-04-2026

TEXT OF RESOLUTION

RESOLVED, that the Conference of California Bar Associations recommends that legislation be sponsored to add Civil Code section 5815 to read as follows:

§ 5815

(a) Each member of the board of directors of an association in a common interest development shall file an annual disclosure statement, under penalty of perjury, with the association disclosing all compensation or benefits obtained by the board member during the previous calendar year in connection with their service as a board member or arising from their relationship with the association.

(b) The disclosure statement required by subdivision (a) shall include, but is not limited to, all of the following:

(1) All monetary compensation received from the association, including salaries, stipends, consulting fees, or payments of any kind.

(2) All reimbursements for expenses, including the nature and amount of each expense reimbursed.

(3) All benefits received from the association, including, but not limited to, free or reduced-cost services, use of association facilities or resources, or any other item of value.

(4) All compensation, payments, or benefits received from any vendor, contractor, or service provider doing business with the association.

(5) Any financial interest in, or employment relationship with, any entity that has contracted with or provided goods or services to the association during the disclosure period.

(c) The disclosure statement shall be filed with the association's managing agent or, if the association has no managing agent, with the association's secretary, no later than March 1 of each year for the preceding calendar year.

(d) The association shall make all disclosure statements filed pursuant to this section available for inspection and copying by any member of the association, in accordance with the procedures set forth in Article 5 (commencing with Section 5200) of Chapter 6.

(e) The association shall maintain all disclosure statements for a period of not less than seven years.

(f) A member of the board of directors who willfully fails to file the disclosure statement required by this section is guilty of a misdemeanor punishable by a fine not exceeding one thousand dollars ($1,000) or by imprisonment in a county jail not exceeding six months, or by both that fine and imprisonment.

(g) A member of the board of directors who knowingly makes a material misrepresentation on the disclosure statement required by this section is guilty of a felony punishable by imprisonment pursuant to subdivision (h) of Section 1170 of the Penal Code, or by a fine not exceeding ten thousand dollars ($10,000), or by both that imprisonment and fine.

(h) Any violation of this section may be prosecuted by the Attorney General or by the district attorney of the county in which the association is located.

(i) This section shall not apply to a director who serves without any compensation or benefits whatsoever and who certifies that fact in writing to the association.

(j) For purposes of this section, "compensation or benefits" does not include the payment of actual and necessary expenses incurred in the performance of duties as a director, provided that such expenses are reasonable and properly documented.

(Proposed new language underlined; language to be deleted stricken)

PROPONENT: Orange County Bar Association

The Problem: Homeowners associations in California manage billions of dollars in assessments and reserve funds on behalf of millions of homeowners. The boards of directors that govern these associations exercise significant authority over residents' property rights and financial obligations. Despite this substantial power and responsibility, California law currently imposes no requirement that board members disclose compensation or benefits they receive in connection with their service.

This lack of transparency creates opportunities for self-dealing, conflicts of interest, and financial impropriety. Board members may receive payments, benefits, or other consideration from the association or from vendors doing business with the association without any obligation to disclose these arrangements to the membership. Homeowners have no systematic way to determine whether their board members are acting with undisclosed financial interests or whether association funds are being used to compensate board members in ways that may not serve the membership's best interests.

While *Civil Code* section 5800 addresses liability protection for "volunteer" board members, and section 5800(c) acknowledges that some directors receive compensation, there is no affirmative disclosure requirement. The absence of mandatory disclosure undermines the fiduciary duties board members owe to the association and creates an environment where financial conflicts can flourish unchecked.

The Solution: This resolution addresses the transparency deficit by requiring each homeowners association board member to file an annual disclosure statement under penalty of perjury. The statement must identify all compensation and benefits received from the association, from vendors doing business with the association, or arising from the board member's relationship with the association.

The proposed statute establishes meaningful enforcement mechanisms. Willful failure to file the required disclosure is designated as a misdemeanor, while knowing misrepresentation on the disclosure form constitutes a felony prosecutable by the California Department of Justice or local district attorneys. These criminal sanctions reflect the seriousness of breaches of fiduciary duty by those entrusted with authority over community association resources.

The disclosure statements must be made available to all association members and maintained for seven years, ensuring accountability and enabling members to identify potential conflicts of interest. The statute includes reasonable exceptions for directors who serve entirely without compensation and clarifies that reimbursement of reasonable, documented expenses does not constitute compensable benefits requiring disclosure beyond the reimbursement itself.

This resolution promotes transparency, deters self-dealing, and provides homeowners with the information necessary to hold their board members accountable. It aligns with California's public policy of ensuring ethical governance of common interest developments and protecting homeowners' property rights.

IMPACT STATEMENT

This resolution does not affect any other law, statute, or rule. The criminal penalties for misdemeanor and felony violations reference existing provisions of the Penal Code. The disclosure access requirements incorporate by reference the existing inspection procedures in Civil Code sections 5200 et seq.

CURRENT OR PRIOR RELATED LEGISLATION

No similar legislation is currently pending or has been previously introduced in the California Legislature specifically addressing annual compensation disclosure requirements for homeowners association board members with criminal penalties for noncompliance.

AUTHOR AND/OR PERMANENT CONTACT: Steven R. Young, Law Offices of Steven R. Young, Inc., 95 Enterprise #340, Aliso Viejo, California 92656, phone: 949.338.4459, e-mail: syoung@juryattorney.com

RESPONSIBLE FLOOR DELEGATE: Steven R. Young, Law Offices of Steven R. Young, Inc., 95 Enterprise #340, Aliso Viejo, California 92656, phone: 949.338.4459, e-mail: syoung@juryattorney.com

RESOLUTION 07-05-2026

TEXT OF RESOLUTION

RESOLVED that the Conference of California Bar Associations recommends that legislation be sponsored to amend Civil Code Section 5100, to read as follows:

§ 5100
(a) (1) Notwithstanding any other law or provision of the governing documents, elections regarding assessments legally requiring a vote, election and removal of directors, amendments to the governing documents, or the grant of exclusive use of common area pursuant to Section 4600 shall be held by secret ballot in accordance with the procedures set forth in this article.

(2) An association shall hold an election for a seat on the board of directors in accordance with the procedures set forth in this article at the expiration of the corresponding director's term and at least once every ~~four~~two years.(b) This article also governs an election on any topic that is expressly identified in the operating rules as being governed by this article.

(3) Each director position shall be placed up for election at least every two years.

(c) The provisions of this article apply to both incorporated and unincorporated associations, notwithstanding any contrary provision of the governing documents.

(d) The procedures set forth in this article shall apply to votes cast directly by the membership, but do not apply to votes cast by delegates or other elected representatives.

(e) In the event of a conflict between this article and the provisions of the Nonprofit Mutual Benefit Corporation Law (Part 3 (commencing with Section 7110) of Division 2 of Title 1 of the Corporations Code) relating to elections, the provisions of this article shall prevail.

(f) Directors shall not be required to be elected pursuant to this article if the governing documents provide that one member from each separate interest is a director.

(Proposed new language underlined; language to be deleted stricken)

PROPONENT: San Mateo County Bar Association

STATEMENT OF REASONS

The Problem (including Existing Law): When a homeowners association (HOA) has a board that abuses its authority, Civil Code Section 5100 currently allows the board to remain in power for up to four years – unless the governing documents set out a shorter term. Although the Corporations Code allows HOA members to petition for recall elections, the process is daunting and expensive, especially when a lawsuit is required to enforce the petition. For example, before a member can file a lawsuit against an HOA, the member must offer Alternate Dispute Resolution (ADR) for at least 30 days. See Civil Code Section 5930. However, most HOAs carry Directors & Officers (D&O) insurance, with either $500,000 or $1,000,000 in coverage, to spend on their portion of the ADR and their litigation attorneys. See Civil Code Section 5800. Meanwhile, the members have to pay out of pocket because they do not have any insurance.

Because there are so many obstacles for HOA members to overcome, few of them are willing or able to stand up for their right to member elections. In addition, although elections involving secret ballots are necessarily expensive, having directors who abuse their power – for up to four years - can and will cause harm to the members in other ways. Please note that all HOA boards have the authority to plan for and collect funding for required elections. For example, all HOA boards are required to prepare an annual budget. See Civil Code Section 5300. In addition, HOA boards are able to increase the regular assessments by up to 20% each year (without member approval). See Civil Code Section 5605(b).

The Solution: The proposed amendments will ensure that all HOAs will carry out the required elections at least every two years. In addition, it is necessary to require that each seat is placed up for election every two years – to prevent HOA Boards from continuing to have four-year director terms that are staggered. Further, because Civil Code Section 5100 is within the Davis-Stirling Act Article for "Member Election," the member-favorable enforcement measures within Civil Code Section 5145 (which include asymmetrical attorney fees, civil penalties, and cost provisions) would apply. These reforms are needed to motivate all HOA boards to get into and remain in compliance by holding "member elections" for all of the director positions at least every two years.

IMPACT STATEMENT
This resolution does not affect any other law, statute, or rule. Click or tap here to enter text if additional explanation is necessary.

CURRENT OR PRIOR RELATED LEGISLATION
See Corporations Code section 7220(a) (which states: "[D]irectors shall be elected for terms of not longer than four years, as fixed in the articles or bylaws"). See also AB 2460 (Ta, 2023-2024 Reg. Sess.) (which amended Civil Code Section 5115(d)(2) to allow that, in the absence of quorum, the quorum can be reduced to 20 percent at a reconvened membership meeting. Please note that Section 5115(d)(2) does not "require" the meeting to be reconvened. See also Corporations Code Sections 7510(c) (for when corporations fail to hold "regular" meetings, a court can order the ballot to be conducted), 7510(e) (to allow 5 percent of the members to petition for a "special meeting," such as a "recall election"), and 7515 (for when it is "impractical or unduly difficult" for an HOA to carry out a meeting for an election). See AB 1184 (Patterson, 2025-2026 Reg. Sess.), the "Homeowner Association Accountability and Transparency Act of 2026," Section 8, which proposes other types of amendments to Civil Code Section 5100.

AUTHOR AND/OR PERMANENT CONTACT:
Catherine Rucker, catherinerucker@me.com, 415-246-6647, SBN 309559

RESPONSIBLE FLOOR DELEGATE: Catherine Rucker

RESOLUTION 07-06-2026

TEXT OF RESOLUTION

RESOLVED that the Conference of California Bar Associations recommends that legislation be sponsored to amend Civil Code Section 5120, to read as follows:

§ 5120

(a) All votes shall be counted and tabulated by the inspector or inspectors of elections, or the designee of the inspector or inspectors of elections, in public at a properly noticed open meeting of the board or members. Any candidate or other member of the association may witness the counting and tabulation of the votes. A person, including a member of the association or an employee of the management company, shall not open or otherwise review any ballot before the time and place at which the ballots are counted and tabulated. The inspector or inspectors of elections, or the designee of the inspector or inspectors of elections, may verify the member's information and signature on the outer envelope prior to the meeting at which ballots are tabulated. Once a secret ballot is received by the inspector or inspectors of elections, it shall be irrevocable.

(b) The tabulated results of the election shall be promptly reported to the board and shall be recorded in the minutes of the next meeting of the board and shall be available for review by members of the association. Within 15 days of the election, the board shall give general notice pursuant to Section 4045 of the tabulated results of the election.

(c) A person, including a member of the association or an employee of the management company, shall not open or otherwise review any tally sheet of votes cast by electronic secret ballots before the time and place at which the ballots are counted and tabulated.

(d) At the conclusion of the board or membership meeting for the election of directors, as required by subpart (a), the terms for the newly-elected directors shall take effect.

(Proposed new language underlined; language to be deleted stricken)

PROPONENT: San Mateo County Bar Association

STATEMENT OF REASONS

The Problem (including Existing Law): For homeowner association (HOA) elections for directors, unless the bylaws include specific provisions, there is ambiguity about when the terms for the newly-elected directors begin. See the Davis-Stirling Act Article for "Member Election" in Civil Code Sections 5100-5145, which is silent about this issue. For example, there is ambiguity about whether the newly-directed directors are "seated" at the end of the meeting for the election or whether they are "seated" at the subsequent board meeting. HOA members must be certain about who the directors are because HOA boards have the authority to write checks, issue violations, hold violation hearings, record liens, decide to foreclose on liens, and make decisions for the HOA during lawsuits. Further, under Civil Code Section 5800, volunteer directors are protected from personal liability only if the HOA has an insurance policy for either

$500,000 or $1,000,000 (if there are more than 100 separate interests). See Civil Code Section 5800. However, the identities of the directors and officers must be "certain" - or they will not be protected. (Please note that Section 5103(e), which is for "election by acclamation" (for when the number of candidates is less than or equal to the number of open director positions) specifies that the board "votes to consider the qualified candidates elected by acclamation" at a board meeting. As a result, Section 5103(e) provides certainty for when those types of newly-elected directors are seated.)

The Solution: Because HOA boards have so much authority over the association's finances, enforcement measures, and legal issues, the members must "know" who the directors are – at all times. The Resolution would provide that certainty. Further, if the resolution's amendments create a conflict with an HOA's governing documents regarding when the new directors are "seated," the new statutory provision would automatically control. See Civil Code Section 4205, for the hierarchy between the law (statutes) and HOA governing documents (including the "bylaws"). See also Civil Code Section 5100(e), which states: "In the event of a conflict between [the Davis-Stirling Act Article for "Member Election"] and the provisions of the Nonprofit Mutual Benefit Corporation Law … relating to elections, the provisions of [the Davis-Stirling Act Article for "Member Election"] shall prevail.

IMPACT STATEMENT
This resolution does not affect any other law, statute, or rule. Click or tap here to enter text if additional explanation is necessary.

CURRENT OR PRIOR RELATED LEGISLATION
Civil Code Section 5120 was amended by Stats. 2024, Ch. 383, Sec. 4. (AB 2159) Effective January 1, 2025. See also AB 1184 (Patterson, 2025-2026 Reg. Sess.), the "Homeowner Association Accountability and Transparency Act of 2026, Section 9, which proposes other amendments to Civil Code Section 5120.

AUTHOR AND/OR PERMANENT CONTACT:
Catherine Rucker, catherinerucker@me.com, 415-246-6647, SBN 309559

RESPONSIBLE FLOOR DELEGATE: Catherine Rucker

RESOLUTION 07-07-2026

TEXT OF RESOLUTION

RESOLVED that the Conference of California Bar Associations recommends that legislation be sponsored to add Civil Code Section 4921, to read as follows:

§ 4921
If an association becomes involved in litigation or arbitration, the board shall announce the litigation or arbitration at the subsequent board meeting. The minutes shall state the name of the court and the case number or the name of the arbitrator.

(Proposed new language underlined; language to be deleted stricken)

PROPONENT: The San Mateo County Bar Association

STATEMENT OF REASONS

The Problem (including Existing Law): For homeowner associations (HOAs), "the Common Interest Development Open Meeting Act" (Act) is within Civil Code Sections 4900-4955. The basic premise of the Act is that HOA boards are required to inform the members about almost all of the "actions" they take on "business items." See Civil Code Section 4910. However, Civil Code Section 4935 provides limited exceptions for matters the board may discuss privately, in "executive session." For example, HOA boards are allowed to "consider litigation" during executive session. Furthermore, when HOA boards discuss litigation strategy with the attorneys, those discussions are protected by the attorney-client privilege. However, when an HOA becomes involved in litigation or arbitration, Section 4935 and the "attorney-client privilege" do not allow HOA boards to withhold such basic information from the members.

The Solution: When HOA boards "decide to" sue someone or to request arbitration, or when HOA boards "decide to" defend the HOA through litigation or arbitration, the members have the right to know about those decisions – in real time. This Resolution would require HOA boards to provide proper notice to the members about such decisions during board meetings, in open session – when members are present – and to record the information in the meeting minutes.

IMPACT STATEMENT

This resolution does not affect any other law, statute, or rule. Click or tap here to enter text if additional explanation is necessary.

CURRENT OR PRIOR RELATED LEGISLATION

See AB 1184 (Patterson, 2025-2026 Reg. Sess.), the "Homeowner Association (HOA) Accountability and Transparency Act of 2026," Section 4, which would add Civil Code Section 4921 to require HOAs to provide generic information about "litigation" just once per year, in the "annual budget report." See also Civil Code Sections 4525 and 4528, for "transfer disclosure," which do not require disclosure about litigation or arbitration when HOA separate interests are being sold. See also CCBA Resolution 02-02-2025 (San Diego), which was "Disapproved."

AUTHOR AND/OR PERMANENT CONTACT:
Catherine Rucker, catherinerucker@me.com, 415-246-6647, SBN 309559

RESPONSIBLE FLOOR DELEGATE: Catherine Rucker

RESOLUTION 07-08-2026

TEXT OF RESOLUTION

RESOLVED that the Conference of California Bar Associations recommends that legislation be sponsored to amend Civil Code Sections 4525 and 4528, to read as follows:

§ 4525

(a) The owner of a separate interest shall provide the following documents to a prospective purchaser of the separate interest, as soon as practicable before the transfer of title or the execution of a real property sales contract, as defined in Section 2985:

(1) A copy of all governing documents. If the association is not incorporated, this shall include a statement in writing from an authorized representative of the association that the association is not incorporated.

(2) If there is a restriction in the governing documents limiting the occupancy, residency, or use of a separate interest on the basis of age in a manner different from that provided in Section 51.3, a statement that the restriction is only enforceable to the extent permitted by Section 51.3 and a statement specifying the applicable provisions of Section 51.3.

(3) A copy of the most recent documents distributed pursuant to Article 7 (commencing with Section 5300) of Chapter 6.

(4) A true statement in writing obtained from an authorized representative of the association as to the amount of the association's current regular and special assessments and fees, any assessments levied upon the owner's interest in the common interest development that are unpaid on the date of the statement, and any monetary fines or penalties levied upon the owner's interest and unpaid on the date of the statement. The statement obtained from an authorized representative shall also include true information on late charges, interest, and costs of collection which, as of the date of the statement, are or may be made a lien upon the owner's interest in a common interest development pursuant to Article 2 (commencing with Section 5650) of Chapter 8.

(5) A copy or a summary of any notice previously sent to the owner pursuant to Section 5855 that sets forth any alleged violation of the governing documents that remains unresolved at the time of the request. The notice shall not be deemed a waiver of the association's right to enforce the governing documents against the owner or the prospective purchaser of the separate interest with respect to any violation. This paragraph shall not be construed to require an association to inspect an owner's separate interest.

(6) A copy of the initial list of defects provided to each member pursuant to Section 6000, unless the association and the builder subsequently enter into a settlement agreement or otherwise resolve the matter and the association complies with Section 6100. Disclosure of the initial list of defects pursuant to this paragraph does not waive any privilege attached to the document. The initial list of defects shall also include a statement that a final determination as to whether the list of defects is accurate and complete has not been made.

(7) A copy of the latest information provided for in Section 6100.

(8) Any change in the association's current regular and special assessments and fees which have been approved by the board, but have not become due and payable as of the date disclosure is provided pursuant to this subdivision.

(9) If there is a provision in the governing documents that prohibits the rental or leasing of any of the separate interests in the common interest development to a renter, lessee, or tenant, a statement describing the prohibition.

(10) If requested by the prospective purchaser, a copy of the minutes of board meetings, excluding meetings held in executive session, conducted over the previous 12 months, that were approved by the board.

(11) A copy of the report issued pursuant to the most recent inspection conducted pursuant to Section 5551.

(12) If the association is involved in litigation or arbitration, the name of the court and the case number or the name of the arbitrator.

(b) This section does not apply to an owner that is subject to Section 11018.6 of the Business and Professions Code.

§ 4528

The form for billing disclosures required by Section 4530 shall be in at least 10-point type and substantially the following form:

CHARGES FOR DOCUMENTS PROVIDED AS REQUIRED BY SECTION 4525*
The seller may, in accordance with Section 4530 of the Civil Code, provide to the prospective purchaser, at no cost, current copies of any documents specified by Section 4525 that are in the possession of the seller.
A seller may request to purchase some or all of these documents, but shall not be required to purchase ALL of the documents listed on this form.
Property Address
Owner of Property
Owner's Mailing Address (If known or different from property address.)

Provider of the Section 4525 Items:
Print Name _____ Position or Title _____ Association or Agent
Date Form Completed

Check or Complete Applicable Column or Columns Below

Document	Civil Code Section Included	Fee for Document	Not Available (N/A), Not Applicable (N/App), or Directly Provided by Seller and confirmed in writing by Seller as a current document (DP)
Articles of Incorporation or statement that not incorporated	Section 4525(a)(1)		
CC&Rs	Section 4525(a)(1)		
Bylaws	Section 4525(a)(1)		
Operating Rules	Section 4525(a)(1)		
Age restrictions, if any	Section 4525(a)(2)		

Rental restrictions, if any	Section 4525(a)(9)		
Annual budget report or summary, including reserve study	Sections 5300 and 4525(a)(3)		
Assessment and reserve funding disclosure summary	Sections 5300 and 4525(a)(4)		
Financial statement review	Sections 5305 and 4525(a)(3)		
Assessment enforcement policy	Sections 5310 and 4525(a)(4)		
Insurance summary	Sections 5300 and 4525(a)(3)		
Regular assessment	Section 4525(a)(4)		
Special assessment	Section 4525(a)(4)		
Emergency assessment	Section 4525(a)(4)		

Other unpaid obligations of seller	Sections 5675 and 4525(a)(4)		
Approved changes to assessments	Sections 5300 and 4525(a)(4), (8)		
Settlement notice regarding common area defects	Sections 4525(a)(6), (7), and 6100		
Preliminary list of defects	Sections 4525(a)(6), 6000, and 6100		
Notice(s) of violation	Sections 5855 and 4525(a)(5)		
Required statement of fees	Section 4525		
Minutes of regular board meetings conducted over the previous 12 months, if requested	Section 4525(a)(10)		
Copy of the report issued pursuant to the most	Sections 4525(a)(11) and 5551		

recent inspection of exterior elevated elements			
Litigation disclosure	Section 4525(a)(12)		
Total fees for these documents:			

56

(Proposed new language underlined; language to be deleted stricken)

PROPONENT: San Mateo County Bar Association

STATEMENT OF REASONS

The Problem (including Existing Law): For homeowners associations (HOAs), if the HOA is involved in active litigation or arbitration, the seller of a separate interest is not required to disclose that fact to a potential buyer. This is unfair to the potential buyers because when an HOA is involved in litigation or arbitration, there are associated financial risks. For example, the HOA might lose its Directors & Officers insurance coverage, or it might have to impose a "special assessment" to cover the costs. In addition, HOA members have the right to attend board meetings, and they might be aware of the litigation or arbitration. However, potential buyers will probably have no idea about the HOA's legal issues. Further, because Civil Code Section 4525(a)(6) requires the disclosure of "defects" to potential buyers, shouldn't litigation and arbitration be disclosed as well?

The Solution: The resolution would require that if an HOA is involved in litigation or arbitration, the HOA and the seller of a separate interest disclose the court name and case number or the name of the arbitrator to each potential buyer.

IMPACT STATEMENT

This resolution does not affect any other law, statute, or rule. Click or tap here to enter text if additional explanation is necessary.

CURRENT OR PRIOR RELATED LEGISLATION

See AB 1184 (Patterson, 2025-2026 Reg. Sess.), the "Homeowner Association Accountability and Transparency Act of 2026," Section 4, which would add Civil Code Section 4921 (within the Article for "Board Meeting") to require HOAs that are involved in litigation to disclose that fact just once per year, in the "annual budget report." In addition, AB 1184, Section 5, would amend Civil Code Section 4935 (within the Article for "Board Meeting") to require the Board to include the "case name" in its executive session meeting minutes – which the members are not entitled

access to. Further, see Resolution 02-02-2025, which would have required "HOA boards to announce at meetings and include in their minutes any involvement in litigation and any changes to insurance policies," which was "Disapproved" at the 2025 CCBA Conference.

AUTHOR AND/OR PERMANENT CONTACT:
Catherine Rucker, catherinerucker@me.com, 415-246-6647, SBN 309559

RESPONSIBLE FLOOR DELEGATE: Catherine Rucker