

CALIFORNIA LEGISLATIVE  
ACTION COMMITTEE

  
**community**  
ASSOCIATIONS INSTITUTE



*2022 was truly a transformational year for CAI-CLAC. Our primary objective is, and will always be, to propose, monitor, provide input, and take formal positions on state legislation impacting community associations.*

## CAI-CLAC 2022 Accomplishments

In 2022, we extended our outreach to develop strategic relationships with state agencies, policy makers, and stakeholders to ensure they understand the important role community associations play in fulfilling housing needs in the State of California. We continued to emphasize the importance of self-governance, while acknowledging that certain issues are too large to be addressed on a community level. We believe these new relationships will continue to grow and will help frame necessary state and federal legislation in the years to come.

As the state slowly emerged from the Covid crisis, our delegates and legislative support committees continued to meet to discuss state legislation, wildfire emergencies, the insurance crisis, and the industry-wide impact of the fall of the Champlain Towers in Surfside, Florida. CAI-CLAC held a number of townhall meetings to keep people apprised of developments throughout the year. We also held our second virtual Legislative Days at the Capitol during which we shared our views on currently pending legislation, as well as our long-term goals for the next several years. CAI-CLAC was very well received by legislators and staff, and we continue to believe our legislative visits are a critical component of our success.

CAI-CLAC monitored 77 bills this legislative session. We are pleased to share both our summary of accomplishments as well as our outlook for the immediate future.

### **AB 1410 (RODRIGUEZ) – COMMON INTEREST DEVELOPMENTS**

**AS INTRODUCED:** AB1410 sought to impose numerous additional responsibilities on boards and their directors including mandatory education, a statutory code of conduct, and sharing specific evidence in disciplinary proceedings. The bill also required that associations allow for the peaceful assembly of owners and guests as well as the rental of a portion of a separate interest. As amended, AB1410 no longer contains the language

requiring mandatory board education, the specified code of conduct, or the exchange of evidence prior to a disciplinary hearing.

**POSITION:** Neutral.

**RESULT.** This bill passed the Legislature and has been signed by the Governor.

### **SB 1323 (ARCHULETA) – FORECLOSURE: EQUITY SALE: MULTIPLE LISTING**

**AS INTRODUCED:** SB 1323 sought to require that an equity sale of property under a power of sale or a mortgage or deed of trust be made by licensed real estate agent and by publicly listing the property for sale on a multiple listing service. The bill would have also required

  
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## CAI-CLAC 2022 Accomplishments (cont'd.)

the trustee that receives multiple offers to make counteroffers to each offeror. By adding to the requirements of a judicial foreclosure this bill would have increased costs to associations.

**POSITION:** Opposed

**RESULT:** Placed on the Assembly Inactive File and not brought up for a vote.

### CALIFORNIA WILDFIRES

CAI-CLAC is working hard to bring awareness to how wildfires are impacting the availability and price of community association insurance. CAI-CLAC reached out to the California Department of Insurance to provide education on how community associations are insured and why changes were necessary. After issuing a very successful "Call to Action," the CDI acknowledged the impact of escalating costs. CAI-CLAC and the Department of Insurance are currently working together on the development of new wildfire regulations. CAI-CLAC is also advocating to make the California FAIR plan accessible to condominium owners.

### CONSUMER DEBT

CAI-CLAC was persistent in its efforts to clarify whether community association assessments constituted consumer debt and whether collecting that type of debt required a license. In May of 2022, the Department of Financial Protection & Innovation determined that routine assessments are not "consumer credit transaction" as defined under the Debt Collection Licensing Act, and therefore do not constitute "consumer debt." Since the collection of routine assessments is not considered to be collection of "consumer debt," such activity would not constitute being engaged in the business of debt collection and does not require licensure under the Debt Collection Licensing Act.

### WHAT IS COMING IN 2023?

Following the tragic collapse of the Champlain Towers in Surfside, Florida, CAI National organized multiple task forces who are working hard to prevent further catastrophic failures. CAI-CLAC looks forward to providing support for those policies in 2023.

### RESERVE STUDY REQUIREMENTS AND FUNDING

CAI's Reserve Task Force is developing a policy that better defines what constitutes a building component and promotes long-term funding for critical building components. CAI-CLAC's Reserve Task Force will be evaluating the policy for the purpose of ensuring consistency in the language on the state and national levels.

### INFRASTRUCTURE

CAI's Condo Safety Task force has published a Condominium Safety Public Policy Report that recommends appropriate building maintenance along with mandated structural inspections. The Taskforce recommended specific inspection standards. CAI-CLAC's Infrastructure Task Force has evaluated the Condominium Safety Public Report and intends to support legislative efforts in furtherance of structural safety.

### WHAT IS CAI-CLAC?

The California Legislative Action Committee (CLAC) is a volunteer committee of the Community Associations Institute (CAI) consisting of homeowners and professionals serving community associations. CAI is the largest advocacy organization in America dedicated to monitoring legislation, educating elected state lawmakers, and protecting the interests of those living in community associations in California.



### CAI-CLAC AS A VOLUNTEER ORGANIZATION

- Is a non-profit, non-partisan volunteer committee comprised of two Delegates and one Liaison from each of the eight CAI California chapters.
- Represents 13 million homeowners and property owners in more than 50,000 associations throughout California.
- Is NOT a PAC (Political Action Committee) and makes no financial campaign contributions.
- Depends solely on the donations of community associations, their boards of directors and those who serve association members.

### CAI-CLAC'S MISSION

To safeguard and improve the community association lifestyle and property values by advocating a reasonable balance between state statutory requirements and the ability and authority of individual homeowners to govern themselves through their community associations.

### JEFFREY A. BEAUMONT, ESQ. | BEAUMONT TASHJIAN CAI-CLAC 2021-2022 CHAIR



Jeffrey A. Beaumont, Esq. is the senior partner of Beaumont Tashjian, a full-service community association law firm providing general counsel, litigation and assessment collections services to its clients with offices throughout Southern California. Mr. Beaumont has been representing community associations for over 20 years. In addition to his practice, he is actively involved in industry organizations through his participation in Community Associations Institute (CAI) and California Association of Community Managers. Mr. Beaumont proudly served as a two-time past president of the CAI Greater Los Angeles and Channel Islands Chapters and is admitted to the College of Community Association Lawyers, earning his CCAL designation. Mr. Beaumont also served as the Channel Islands Chapter's CLAC delegate for over 10 years before being inducted in 2019 as a lifetime delegate. Mr. Beaumont has served as the Chair for CAI-CLAC's Executive Committee in 2021 and 2022.

### LOUIE A. BROWN, JR. | CAI-CLAC ADVOCATE



Louie A. Brown, Jr., is a partner with Kahn, Soares & Conway, LLP. He manages the firm's Government Relations Group representing clients before the California State Legislature and various state administrative agencies. Louie specializes in providing clients with expert advice in maneuvering through California's complex legislative and administrative process. He has written numerous laws and played key roles in many of the Legislature's major accomplishments and budget negotiations over the last decade.

Louie earned his Bachelor of Science Degree from California Polytechnic State University in San Luis Obispo, California and his Juris Doctor from the McGeorge School of Law.

Louie and his wife, Kymberlee, reside in Elk Grove with their three children.

**CAI-CLAC is always looking for ideas for common sense legislation to sponsor. Please send ideas/feedback to our Legislative Strategy and Research Committee at [LSRC@caiclac.com](mailto:LSRC@caiclac.com).**