

## 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.



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# CAI-CLAC 2025: What We Achieved

*CAI-CLAC had some major legislative wins this year through opposition to bills that were unsuccessful, and negotiating amendments to bills we initially opposed, changing our position to neutral. However, we also had two bills in 2025 signed into law against our strongest objections. We will continue to work on legislative solutions to those bills, along with monitoring, evaluating and providing input on new proposed legislation in 2026 affecting community associations and our shared priorities. Additionally, as this year was the first year of the two-year legislative session, some of the bills that CAI-CLAC's advocates worked on in 2025 with legislators and their staff may come up again in the second year of the session which begins in January 2026.*

## AB 21 (DeMaio) – Association Management and Meeting Procedures

### CAI-CLAC POSITION: OPPOSED – BILL UNSUCCESSFUL

This proposed legislation sought to make unnecessary changes to fourteen sections of the Davis-Stirling Act and add two new sections dealing with association management and meeting procedures. Most changes would drastically increase cost and exposure to litigation. The bill failed passage in the Assembly Housing and Community Development Committee.

## SB 547 (Perez) – Insurance

### CAI-CLAC POSITION: SUPPORT – SIGNED INTO LAW

This bill adds commercial property with policy limits of \$10,000,000 or more to the cancellation moratorium list. This bill was signed into law by the Governor and will be effective as of January 1, 2026.

## SB 677 (Wiener) – Streamlined Approvals

### CAI-CLAC POSITION: OPPOSED – BILL UNSUCCESSFUL

The proposed legislation sought to prevent homeowner associations from imposing Covenants, Conditions and Restrictions (CC&Rs) that prohibit or unreasonably restrict housing developments or urban lot splits on single-family zoned districts statewide. This bill failed passage in the Senate Housing Committee.

## AB 942 (Calderon) – NEM – Solar Contracts

### CAI-CLAC POSITION: NEUTRAL – RE-REFERRED TO COMMITTEE

This bill makes changes to the contracts entered into under the Net Energy Metering (NEM) program. Recent amendments deleted the language that sought to reduce the contracts for reduced energy costs from 20 years to 10 years. This bill was re-referred to the Senate Rules Committee for potential action in 2026.

## SB 410 (Grayson) – Exterior Elevated Elements

### CAI-CLAC POSITION: NEUTRAL – SIGNED INTO LAW

In its final form, this bill requires all reports prepared by inspectors as required by SB 326 (Civil Code §5551) contain certain specific information, including but not limited to: the total number of units in the condominium project, the number of exterior elevated elements in the condominium project, and the total number of inspected exterior elevated elements identified as posing an immediate threat to safety. Additionally, the reports of inspectors are now included in the definition of associations records and must be available for member inspection for two inspection cycles. Numerous amendments were made to this bill to eliminate requirements that were extremely onerous for inspectors and likely would have greatly decreased the number of inspectors willing to perform inspections of condominium projects due to liability concerns. This bill was signed into law by the Governor and will be effective as of January 1, 2026.

## **SB 625 (Wahab) – Housing Developments: Disasters: Reconstruction of Destroyed or Damaged Structures**

### **CAI-CLAC POSITION: NEUTRAL – SIGNED INTO LAW**

As originally introduced, this bill included language regarding the definitions of a disaster and residential structures that were ambiguous and confusing and was therefore opposed by CAI-CLAC unless amended. However, in its current form with requested amendments, this bill makes any rule or governing document unenforceable if it blocks the rebuilding of a substantially similar home after a declared disaster. It also creates an expedited architectural review process for rebuilding after a declared disaster. This bill was signed into law by the Governor and will be effective as of January 1, 2026.

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## **SB 681 (Wahab) – Housing: HOA Fine Caps**

### **CAI-CLAC POSITION: OPPOSED – AMENDED INTO AB 130**

This bill, among other things, sought to create a one size fits all approach that would place an arbitrary cap on the fines issued by HOAs at \$100 per violation. This bill is now dead because the contents of this bill was amended into AB 130.

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## **AB 130 (Committee on Budget)**

### **CAI-CLAC POSITION: OPPOSED – BILL SIGNED INTO LAW WITHOUT PUBLIC COMMENT**

This bill was a gut and amend on June 27, 2025, as a budget trailer bill. This means it included last-minute amendments to the pending budget bill and therefore bypassed and avoided the standard procedures for reviewing bills and obtaining input from the public. The amendments included numerous issues with a primary focus on amending the California Environmental Quality Act (CEQA). However, other elements were included, including language from SB 681 to cap the fines an association can charge at \$100, unless “the violation may result in an adverse health or safety impact on the common area or another association member’s property.” The bill was signed immediately by the Governor and went into effect on June 30, 2025.

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## **SB 770 (Allen) – EV Charging Stations**

### **CAI-CLAC POSITION: OPPOSED – BILL SIGNED INTO LAW**

This legislation deletes the requirement for a homeowner who installs an EV charger in the association’s common area to obtain a certificate of insurance that names the association as an additional insured, creating additional liability for the association. This bill was signed into law by the Governor and will be effective as of January 1, 2026.



### **Stacie Donnelly, PCAM, CCAM Condominium Financial Management, Inc. 2025/26 CAI-CLAC Chair**

*Stacie Donnelly is the CFO of CFM, a firm providing financial management services to common interest developments since 1975. Stacie joined the firm after graduating college in 1994. She is the daughter of Herbert Krauss who started the business in 1975, and Linnea Juarez who continued the business, and formed CFM after Herbert’s passing, in 1980.*

*Stacie is a past board member of the California Association of Community Managers (CACM) serving a three-year term. She earned the Certified Community Association Manager (CCAM) certification in 1997 from CACM. She was awarded the prestigious Professional Community Association Manager (PCAM) designation in 2000 from the Community Associations Institute (CAI), the highest designation awarded in the industry for managers. She also served a 6-year term on the Board of Directors for the Bay Area and Central California Chapter of CAI. At the end of her term, she served in the role of President of the Chapter.*

*Stacie began volunteering as a member of the Legislative Support Committee (LSC) supporting the efforts of CAI’s California Legislative Action Committee (CLAC) in 2014. She is currently serving as the 2025/26 Chair of CAI-CLAC’s Executive Committee.*



### **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, Kimberlee, reside in Elk Grove with their three children.*