

IMPACT OF AB 502

ON

COMMON INTEREST DEVELOPMENTS - “HOA”-
ELECTION REQUIREMENTS

LOMAA Monthly Meeting

1 November 2021

AB 502 – Summary

- Removes the requirement that an HOA must have 6,000 or more units in order to use election by acclamation
- Acclamation allows HOAs to bypass a full election, i.e., double-stuffed ballots and an independent third party inspector of elections, for board of directors ***if the number of nominees is not more than the number of vacancies to be filled, i.e., the election is uncontested***
- Requires additional information to be included in the initial notice delivered 90 days before the deadline for submitting nominations

AB 502 – Additional Requirements

- A regular election was held for the directors in the last 3 years calculated from the date ballots were due in the last *full election* to the start of voting for the proposed election
- Initial notice 90 days before the deadline for submitting nominations includes:
 - The number of board positions that will be filled at the election,
 - The deadline for submitting nominations,
 - The manner in which nominations can be submitted
 - ***A statement informing members that if, at the close of the time period for making nominations, there are the same number or fewer qualified candidates as there are board positions to be filled, then the board of directors may, after voting to do so, seat the qualified candidates by acclamation without balloting?***

AB 502 – Additional Requirements

- A reminder notice is sent between 7 and 30 days before the deadline for submitting nominations that contains all of the information in the initial “90 day” notice PLUS ***a list of the names of all of the qualified candidates to fill the board positions as of the date of the reminder notice***
- The Board votes to consider the qualified candidates elected by acclamation at a properly held meeting
- The association provides, within seven business days of receiving a nomination, a written or electronic communication to the nominee, indicating if the nominee is a qualified candidate for the board of directors

Reference

- California Legislative Information
 - Website Home:
 - <https://leginfo.legislature.ca.gov/faces/home.xhtml>
 - AB 502 Info:
 - https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220AB502