

Assembly Bill No. 1328

Passed the Assembly September 2, 2009

Chief Clerk of the Assembly

Passed the Senate August 31, 2009

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2009, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to add Section 1353.9 to the Civil Code, relating to common interest developments.

LEGISLATIVE COUNSEL'S DIGEST

AB 1328, Salas. Common interest developments: contracts.

The Davis-Stirling Common Interest Development Act provides for the creation and regulation of common interest developments. Under existing law, a common interest development is managed by an association pursuant to the provisions of the governing documents of the development.

This bill would provide that, notwithstanding any provision of the governing documents to the contrary, an association may enter into a contract for a water or energy efficiency program, not to exceed 5 years in duration, if the board of directors reasonably anticipates that the contract will result in verifiable savings to the association and the supplier is not an entity that the subdivider has a direct or indirect interest in, as provided. This bill would also provide that, prior to approving a multiyear contract, the board shall provide notice of the proposed duration of the contract on the agenda for any meeting at which the contract will be discussed or voted on.

The people of the State of California do enact as follows:

SECTION 1. Section 1353.9 is added to the Civil Code, to read:

1353.9. (a) Notwithstanding any provision of the governing documents to the contrary, an association may enter into a contract for a water or energy efficiency program, not to exceed five years in duration, if the board reasonably anticipates that the contract will result in verifiable savings to the association and the supplier is not an entity that the subdivider, if the subdivider still has representation on the board, has a direct or indirect ownership interest in of 10 percent or more.

(b) Prior to approving a multiyear contract for a water or energy efficiency program pursuant to subdivision (a), the board of

directors shall provide notice of the proposed duration of the contract on the agenda for any meeting at which the contract will be discussed or voted on.

Approved _____, 2009

Governor