

Second Supplement to Memorandum 2013-23

Common Interest Development: Statutory Clarification and Simplification of CID Law: Further Issues

Senate Bill 745 (Committee on Transportation and Housing) was amended on June 11, 2013. The amendments include changes that are discussed in Memorandum 2013-23.¹

In two sections, the amendments are different from the language presented in Memorandum 2013-23. The amendments to those sections are set out in an attached Exhibit. The staff will discuss them orally.

Respectfully submitted,

Brian Hebert
Executive Director

1. Any California Law Revision Commission document referred to in this memorandum can be obtained from the Commission. Recent materials can be downloaded from the Commission's website (www.clrc.ca.gov). Other materials can be obtained by contacting the Commission's staff, through the website or otherwise.

The Commission welcomes written comments at any time during its study process. Any comments received will be a part of the public record and may be considered at a public meeting. However, comments that are received less than five business days prior to a Commission meeting may be presented without staff analysis.

**SELECTED AMENDMENTS TO SENATE BILL 745
(JUNE 11, 2013)**

Civ. Code § 4350. Validity of operating rule

4350. An operating rule is valid and enforceable only if all of the following requirements are satisfied:

(a) The rule is in writing.

(b) The rule is within the authority of the board conferred by law or by the declaration, articles of incorporation or association, or bylaws of the association.

(c) The rule is not ~~inconsistent~~ in conflict with governing law and the declaration, articles of incorporation or association, ~~and~~ or bylaws of the association.

(d) The rule is adopted, amended, or repealed in good faith and in substantial compliance with the requirements of this article.

(e) The rule is reasonable.

Civ. Code § 4920. Board meeting notice

4920. (a) Except as provided in subdivision (b), the association shall give notice of the time and place of a board meeting at least four days before the meeting.

(b)(1) If a board meeting is an emergency meeting held pursuant to Section 4923, the association is not required to give notice of the time and place of the meeting.

(2) If a nonemergency board meeting is held solely in executive session, the association shall give notice of the time and place of the meeting at least two days prior to the meeting.

(3) If the association's governing documents require a longer period of notice than is required by this section, the association shall comply with the period stated in its governing documents, except for a notice of an emergency meeting or a meeting held solely in executive session when the governing documents do not specifically provide a period of notice for these meetings.

(c) Notice of a board meeting shall be given by general delivery pursuant to Section 4045.

(d) Notice of a board meeting shall contain the agenda for the meeting.