



**TO: Honorable Senate Members**  
**FROM: Marjorie Murray, President**  
**RE: AB968/Gordon**  
**Transfer of Maintenance Duties & Liabilities to Association Homeowners**

## **SENATE FLOOR ALERT**

### **OPPOSE**

You will shortly have before you on the Senate floor **AB968**, a GUT-AND-AMEND legislation making homeowners financially and legally responsible for maintaining “exclusive use common areas” in California’s 50,000 associations. It raises enormous financial, legal, and liability issues for the 9 million association owners: issues that it doesn’t address. What does the bill do? AB968

- Lets associations make up their own lists of “exclusive use common areas and items”: roofs, carports, driveways, utilities in the walls and transfers the duty to “maintain” them to owners. Collectively they are called “EUCAs.”
- Items and areas that are transferred to homeowners for “maintenance” do not have to be in pristine condition; they may be degraded from years of deferred maintenance by the association
- Makes homeowners pay out of pocket for unspecified “maintenance” of EUCAs IN ADDITION TO all the other maintenance fees they are paying: regular and special assessments and funds they pay into reserve accounts for capital items (required under Civil Code §§5550-5580.)
- Transfers liability risks and costs to owners, e.g. because owners are “maintaining” roofs, the association’s insurance policy won’t cover damage or sudden/accidental losses to roofs or other items transferred to them for maintenance.
- Deliberately doesn’t define “maintain, repair, or replace” or the tasks involved so owners have no way to budget for costs
- Will trigger neighbor-to-neighbor boundary legal disputes over whose duty it is to “maintain” shared walls in condos, townhomes, and other attached housing.
- Raises contract issues, i.e. whether an association can legally force owners to assume the costs of maintenance that were not part of the original purchase contract and association legal documents
- New costs will be a special hardship for low-income seniors and low-moderate income owners in affordable homes built under inclusionary zoning
- AB968 will force seniors – including those in resident-owned parks -- to divert money from mortgages and health care to new “maintenance” costs
- Lets associations sue homeowners or else foreclose on their homes in order to force compliance with AB968.

This GUT-AND-AMEND bill raises serious financial, legal, and liability issues, which have had NO hearing in the Assembly and only one hearing in the Senate (June 17<sup>th</sup>.) Because of its negative impacts, we join the California Alliance for Retired Americans (CARA) in urging a NO vote on AB968 when it comes up on the floor. [mmurray@calhomelaw.org](mailto:mmurray@calhomelaw.org)