

SENATE THIRD READING  
SB 770 (Allen)  
As Amended March 24, 2025  
Majority vote

## SUMMARY

Eliminates the requirement that a homeowners association be named on an electric vehicle charging station's insurance policy.

### Major Provisions

Repeals the provision of existing law requiring a certificate of insurance for an electronic vehicle charging station built within a common interest development to name the homeowners association as an additional insured under the owner's insurance policy.

## COMMENTS

For more than a decade, the Legislature has grappled with how to ensure that homeowner associations cannot unreasonably prevent the installation of electric vehicle charging infrastructure within a development. The existing framework, generally, prohibits a homeowner association board from denying the installation of an electric vehicle charging station so long as the charger fits with the community aesthetic and is properly insured. The current law requires the homeowner association to be named as an additional insured on any such policy. However, the author and proponents of this measure contend that such insurance products are difficult to obtain, thus rendering the entire legal framework untenable. This bill, while maintaining the overall insurance requirements, simply eliminates the need for the homeowner association to be a named insured.

*Background on homeowner association governance.* There are approximately 50,000 common interest developments in California. They vary in size and structure, but generally are characterized by the following: (1) separate ownership of individual residential units coupled with an undivided interest in common property; (2) covenants, conditions, and restrictions that limit the use of both separate interests and common property; and (3) management of common property and enforcement of restrictions by a homeowner association.

Governance of these developments and the homeowner associations that make up their governing bodies is regulated under the Davis-Stirling Act (Civil Code Section 1350 *et seq.*), which sets forth general rules governing common interest developments. Beyond the overarching state law, each individual association is also subject to specific rules and regulations set forth by the association's "governing documents." These governing documents include the recorded declaration and any other documents, such as bylaws, operating rules of the association, or articles of incorporation that govern the operation of the association. These rules can touch on a wide range of issues: from landscaping to community aesthetics to physical additions made to an individual property.

Homeowner associations are governed by volunteer boards of directors who are elected by the members of the association and who are responsible for interpreting the governing documents and state law. The procedures for conducting association board elections are typically left to the governing documents of the association, outside of some basic parameters set in state law. To assist in managing the affairs of the association, many boards contract out the day-to-day

operations of the association to professional managers or management companies who handle everything from community maintenance to the financial affairs of the association.

*Increasing the deployment of electric vehicles is critical to obtaining California's climate goals.*

In 2020, Governor Newsom issued Executive Order N-79-20, which called for all in-state sales of new passenger cars and trucks to be zero-emission vehicles by 2035. In order to meet that goal, California must significantly increase the sales of electric vehicles in the state. One obstacle to transitioning to electric vehicles has long been consumer fears about inadequate charging infrastructure limiting electric vehicle's range. Although California has been a national leader in deploying electric vehicle charging infrastructure, challenges remain.

One issue related to electric vehicle charging that the Legislature has attempted to address is potential reluctance of homeowner association boards to permit the installation of electric vehicle charging equipment within association common areas, namely community garages in condominium developments. Originally enacted in 2011, with the passage of SB 209 (Corbett) Chap. 121, Stats. 2011, the state's current legal framework generally requires homeowner association boards to permit the installation of charging infrastructure while simultaneously requiring an electric vehicle owner to obtain insurance for the charger and name the association as an insured party. Recognizing some difficulties in the SB 209 framework, in 2018, the Legislature amended SB 209 to remove a \$1 million coverage minimum from the insurance requirement recognizing that the risks posed by charging infrastructure did not warrant such a large insurance requirement. (SB 1016 (Allen) Chap. 376, Stats. 2018.) Notably, SB 1016 retained several references to the homeowner association being named on the insurance policy. Proponents of this measure now contend that many insurers will not name the association as an insured on policies covering charging infrastructure, thus frustrating the purpose of the SB 209 framework.

*This bill would remove the requirement that a homeowner association be named as an insured but does not eliminate any insurance.* Seeking to ensure that homeowners can obtain the necessary insurance for their electric vehicle chargers, this bill removes the requirement that the charger's insurance policy name the homeowner association as an insured. This bill does *not* remove the requirement that a homeowner obtain an insurance policy to cover any damages or losses caused by the charging infrastructure itself.

In practice, this bill would simply add an extra step should a homeowner association need to recover against an insurance policy for losses related to an electric vehicle charger. Although naming the homeowner association as an insured streamlines the process for obtaining financial redress, nothing in this bill limits the association's ability to recover damages. In accordance with this bill, should the association need to seek compensation, the association must file a claim against the insurance of the owner of the electric vehicle charging equipment. Much like under the existing law, the insurer would be able to evaluate the merits of the claim before paying any appropriate compensation.

### **According to the Author**

In order to meet California's ambitious climate goals, the State must do more to reduce the barriers to EV ownership. The California Energy Commission estimates in its 2024 charging infrastructure assessment that the state will need 2.1 million charging stations by 2035 to support EV demand. As of 2024, only 178,000 chargers have been installed, meeting only 8% of that need.

While the price of EVs has been decreasing, the accessibility of EV charging stations can be an issue. This is especially the case for residents of multi-family housing who need to use common area spaces to install vehicle chargers. Existing law requires HOA residents to obtain an insurance policy that names the association as an additional insured, however, this confuses EV drivers & HOAs alike because these policies are not widely offered.

SB 770 will help California meet its clean transportation goals by removing the barrier for homeowners to obtain a policy that names an HOA as an additional insured party on their general liability insurance that covers an EV charger.

### **Arguments in Support**

This bill is supported by a coalition of electric vehicle advocates. A coalition letter in support of the bill states:

As California advances its bold climate goals and zero-emission transportation targets, access to EV charging infrastructure must be inclusive, equitable, and responsive to the diverse housing landscape across the state. Roughly one-third of California's population lives in common interest developments. Without reasonable access to home charging options, residents in these communities are left behind in the clean transportation transition.

Under existing law, homeowners seeking to install EV charging stations in condominiums, townhomes, and other CIDs must provide a certificate of insurance that names the homeowners association as an additional insured party. This requirement often creates logistical and financial burdens that discourage or delay installations, particularly for renters and homeowners in multi-family housing. SB 770 would eliminate the mandate to name the HOA as an additional insured party, making the process more accessible and aligned with California's goals. By easing the installation of charging stations in common interest developments, this bill directly supports California's climate goals and helps ensure a more equitable transition to clean transportation options.

### **Arguments in Opposition**

This bill is opposed by the Community Associations Institute - California Legislative Action Committee. They write:

SB 770 proposes changes that could have costly consequences for homeowner associations and their residents. By eliminating the requirement for EV charger owners to provide additional insured coverage, SB 770 shifts liability from individual owners to the entire association. This could result in increased insurance premiums for all homeowners, even those who do not own EV chargers.

For years, homeowners have successfully obtained additional insurance coverage. This is not a matter of unavailability but rather one of convenience for individual car owners at the potential expense of the entire community.

Installation of EV chargers modify shared electrical systems, and associations must retain oversight to ensure safety, compliance, and consistency with other common area modifications. Removing these safeguards could increase risks and compromise system integrity. Without adequate insurance protection, associations may be exposed to costly lawsuits stemming from accidents, such as tripping hazards caused by charger cords or other

installation-related issues. This would drive up costs for all homeowners, placing an unnecessary burden on residents.

## FISCAL COMMENTS

None

## VOTES

### SENATE FLOOR: 28-10-2

**YES:** Allen, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Cortese, Durazo, Gonzalez, Grayson, Hurtado, Laird, McGuire, McNerney, Menjivar, Padilla, Pérez, Richardson, Rubio, Smallwood-Cuevas, Stern, Umberg, Wahab, Weber Pierson, Wiener

**NO:** Alvarado-Gil, Choi, Dahle, Grove, Jones, Niello, Ochoa Bogh, Seyarto, Strickland, Valladares

**ABS, ABST OR NV:** Limón, Reyes

### ASM JUDICIARY: 9-3-0

**YES:** Kalra, Garcia, Bryan, Connolly, Harabedian, Pacheco, Papan, Lee, Zbur

**NO:** Dixon, Tangipa, Sanchez

### ASM INSURANCE: 11-3-3

**YES:** Calderon, Addis, Ávila Farías, Berman, Gipson, Harabedian, Krell, Ortega, Petrie-Norris, Michelle Rodriguez, Valencia

**NO:** Chen, Ellis, Hadwick

**ABS, ABST OR NV:** Wallis, Alvarez, Nguyen

## UPDATED

VERSION: March 24, 2025

CONSULTANT: Nicholas Liedtke / JUD. / (916) 319-2334

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