

SENATE JUDICIARY COMMITTEE
Senator Thomas Umberg, Chair
2025-2026 Regular Session

SB 770 (Allen)
Version: March 24, 2025
Hearing Date: May 6, 2025
Fiscal: No
Urgency: No
ID

SUBJECT

Common interest developments: EV charging stations

DIGEST

This bill eliminates the requirement that a homeowner of a common interest development include the homeowner's association as a named additional insured in the homeowner's insurance policy when the homeowner seeks to install an electric vehicle charging station in a common area or exclusive use common area of the common interest development.

EXECUTIVE SUMMARY

It is incontrovertible that man-made climate change is occurring. The primary contributor to global warming has been greenhouse gases, a group of gases that, when added to the atmosphere, act to trap heat that would otherwise radiate into space. Vehicles account for a significant portion of the state's total greenhouse gas emissions. Thus, transitioning the state's vehicles to zero-emissions vehicles like electric vehicles is a key focus of the state's climate goals for reducing greenhouse gas emissions and combating climate change.

In 2011, the Legislature passed SB 209 (Corbett, Ch. 121, Stats. 2011) to facilitate the installation of electrical vehicle chargers in common interest developments (CIDs). However, the law requires a homeowner in a CID to provide the CID with a certificate of insurance naming the CID's homeowner's association (HOA) as an additional insured when the EV charging station is located in the common area or exclusive use common area of the CID. SB 770 eliminates the requirement that the certificate of insurance name the HOA as an additional insured. SB 770 is author sponsored, and is supported by Chargepoint, Inc., and is opposed by the Community Association Institute - California Legislative Action Committee. SB 770 previously passed the Senate Housing Committee by a vote of 8 to 2.

PROPOSED CHANGES TO THE LAW

Existing law:

- 1) Establishes rules and regulations governing the operation of a Common Interest Development (CID) and the respective rights and duties of a homeowners association (HOA) and its members. Requires the governing documents of a CID, and any amendments to the governing documents, to be adopted through HOA elections in accordance with specified procedures. (Civ. Code §§ 4000 et seq.)
- 2) Makes void and unenforceable any covenant, restriction, or condition purporting to affect the transfer or sale of separate property within a common interest development (CID), and any provision of a governing document, if they effectively prohibit or unreasonably restrict the installation or use of an electric vehicle (EV) charging station in an owner's designated parking space. (Civ. Code § 4745(a).)
- 3) Permits HOAs to impose reasonable restrictions on EV charging stations, so long as they do not significantly increase the cost of the station or significantly decrease its efficiency or specified performance. (Civ. Code § 4745(b).)
- 4) Specifies that an electric vehicle charging station installed in a common interest development shall meet applicable state and local health and safety standards and requirements, as well as all other applicable zoning, land use, or other ordinances, or land use permits. (Civ. Code § 4745(c).)
- 5) Requires an HOA to process a request for approval to install an EV charging station in the same manner as an application for approval of an architectural modification to the property and to provide a response in writing. Specifies that, if the request is not denied within 60 days, the application shall be deemed approved, unless the delay is the result of a reasonable request for additional information. (Civ. Code § 4745(e).)
- 6) Provides that, if the electric vehicle charging station is to be placed in a common area or an exclusive use common area, the owner first must obtain approval from the HOA to install the EV charging station. Requires the HOA to approve the installation if the owner agrees in writing to:
 - a) comply with the HOA's architectural standards for the installation of the charging station;
 - b) engage a licensed contractor to install the charging station;
 - c) provide, within 14 days, a certificate of insurance that names the HOA as an additional insured under the owner's insurance policy; and
 - d) pay for both the electricity usage associated with the charging station and the costs associated with the installation of the EV charging station. (Civ. Code § 4745(f)(1).)

- 7) Provides that the owner and each successive owner of the charging station shall be responsible for:
 - a) the costs for damage to the charging station, common area, exclusive use common area, or separate interests resulting from the installation, maintenance, repair, removal, or replacement of the charging station;
 - b) the costs for the maintenance, repair, and replacement of the charging station until it has been removed and for the restoration of the common area after removal;
 - c) the cost of electricity associated with the charging station; and
 - d) disclosing to prospective buyers the existence of any charging station of the owner and the related responsibilities of the owner under this section. (Civ. Code § 4745(f)(2).)
- 8) Provides that the owner of the EV charging station, whether located within a separate unit or within the common area or exclusive use common area, must at all times maintain a liability coverage policy, and that the owner and each successor must provide the HOA with the certificate of insurance annually after providing a certificate of insurance within 14 days of the approval of the installation of the EV charging station. Specifies that a homeowner shall not be required to maintain a homeowner liability coverage policy for an existing national electrical manufacturers association standard alternating current power plug. (Civ. Code § 4745(f)(3)-(4).)
- 9) Specifies that the installation of an EV charging station for the exclusive use of an owner in a common area, that is not an exclusive use common area, must be authorized by the HOA only if installation in the owner's designated parking space is impossible or unreasonably expensive. Specifies that, in such cases, the HOA must enter into a license agreement with the owner for the use of the space in a common area. (Civ. Code § 4745(g).)
- 10) Specifies that an HOA or owners may install an EV charging station in the common area for the use of all members of the HOA and, if they do, that the HOA must develop appropriate terms of use for the charging station. (Civ. Code § 4745(h).)
- 11) Permits an HOA to create a new parking space where one did not previously exist in order to facilitate the installation of an EV charging station. (Civ. Code § 4745(i).)
- 12) Specifies that an HOA that willfully violates these provisions is liable to the applicant for an EV charging station or other party for actual damages, and a civil penalty to the applicant or other party in an amount not to exceed \$1,000. (Civ. Code § 4745(j).)

- 13) Specifies that, in any action by a homeowner requesting to have an EV charging station installed and seeking to enforce compliance with this section, the prevailing plaintiff must be awarded reasonable attorney's fees. (Civ. Code § 4745(k).)
- 14) Defines, for the purposes of (2) through (13), above, an "electric vehicle charging station" to mean a station that is designed in compliance with the California Building Standards Code and delivers electricity from a source outside an electric vehicle into one or more electric vehicles, and specifies that an EV charging station may include several charge points simultaneously connecting several EVs to the station, and any related equipment needed to facilitate charging plug-in EVs. (Civ. Code § 4745(d).)

This bill eliminates the requirement that, for an EV charging station to be placed in a common area or an exclusive use common area, the owner's certificate of insurance must list the HOA as an additional insured under the owner's insurance policy.

COMMENTS

1. Author's statement

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 percent 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. Some individuals have reported contacting over a dozen insurance companies, none of which offered the necessary policy that would name an HOA as an additional insured.

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.

2. EVs and the climate crisis

It is incontrovertible that man-made climate change is occurring. Models project that the state will continue to warm over the twenty-first century, with an estimate of an increase in annual average maximum daily temperature of at least 2.5 degrees Fahrenheit by 2039 and between 4.4 and 5.8 degrees Fahrenheit by 2069.¹ As California's climate continues to warm, the state and its residents are and will be severely affected through a myriad of ways, including through coastal flooding and erosion, environmental destruction through saltwater contamination, decreased water supply and increased drought, a greater risk of significant wildfires, more frequent hazardous weather and pollution, habitat destruction, increased illness and death from extreme weather events, and increased costs due to these impacts and climate change mitigation efforts.²

The primary contributor to global warming has been a rise in greenhouse gases, a group of gases in the atmosphere that act to trap heat that would otherwise radiate into space. The more greenhouse gases that are present in the atmosphere, the more heat is trapped in Earth's atmosphere, thereby resulting in higher global temperatures. The California Energy Commission reports that emissions from cars, trucks, and other vehicles accounted for approximately 39% of the state's total greenhouse gas emissions in 2015.³ Accordingly, transitioning the state's transportation industry to zero-emissions vehicles like EVs is a key focus of the state's climate goals for reducing greenhouse gas emissions and combating climate change. Under Executive Order N-79-20, the state aims for 100% of new passenger vehicle sales to be zero-emission vehicles by 2035.⁴

3. EV Charging stations in HOAs

To facilitate the state's transition to zero emissions and EVs, the Legislature passed SB 209 (Corbett, Ch. 121, Stats. 2011). SB 209 addressed the installation of electrical vehicle chargers in common interest developments (CIDs). CIDs are housing developments comprised of individually-owned housing units and common space for all homeowners and residents of the CID to enjoy. CIDs can be condominiums, townhouses, detached single-family homes, and apartment-like high rises. Many CIDs provide affordable options for home ownership, as well as communal resources that residents may not otherwise have in an affordable single-family home, like a pool or gym.

¹ Louise Bedsworth et al., California's Fourth Climate Change Assessment: Statewide Summary Report (California Natural Resources Agency 2018) p. 23.

² Office of the Attorney General, Climate Change Impacts in California <<https://oag.ca.gov/environment/impact#:~:text=Sea%20level%20rise%2C%20coastal%20flooding,the%20end%20of%20the%20century>> (as of March 18, 2024).

³ Bedsworth, *supra* note 1, p. 47.

⁴ Governor of California, Executive Order N-79-20 (Sept. 23, 2020).

CIDs are governed by the Declaration of Covenants, Conditions, and Restrictions (CC&Rs) that are filed with the county recorder when the CID is established. These CC&Rs identify the CID's common area, the homeowner's association's (HOA) responsibilities, the obligation of the HOA to collect assessments from homeowners to cover the HOA's expenses, and a variety of other issues. All homeowners in the CID are members of the HOA, which provides for the self-governance of the CID, managing and maintaining the common space of the CID, sets rules for the CID, and resolves disputes. The HOA also elects a board of directors to operate the CID, and usually has bylaws outlining the governance rules of the HOA and its board of directors. HOA members must generally pay monthly dues to cover the expenses of the HOA and upkeep of the common areas. When a homeowner in the CID does not pay their dues, the HOA has the authority to impose a lien and foreclose on an individual's property. (Civ. Code §§ 5660, 5700.)

An HOA's board of directors can establish rules governing a broad variety of topics relating to the CID. Such rules can prescribe a great variety of limitations on homeowners; for example, they may limit what can be placed on a homeowner's balcony, prohibit a homeowner from having pets, and specify what kinds of improvements a homeowner is allowed to make on the exterior of their unit. These rules, or Architectural Guidelines, can require submission to an "Architectural Committee" or other body within the HOA of any proposed alterations or additions to a homeowner's property, with approval required before a homeowner can begin the alteration. The rules of the CID on individual homeowners can be enforced by individual homeowners through a lawsuit, or by discipline from the HOA.

SB 209 placed limits on when an HOA can prohibit a homeowner from installing an EV charging station in the homeowner's separate interest or the common area of the CID. It made any CC&R, or any governing document of the HOA that effectively prohibited or restricted the installation or use of an EV charging station, void and unenforceable. SB 209 provided an exception for reasonable restrictions that do not significantly increase the cost of the station or significantly decrease its efficiency or specified performance. SB 209 required that, if an HOA requires approval for the installation of an EV charging station, it must be processed and approved like an architectural modification to the property, and must be decided upon within 60 days.

However, SB 209 also placed a number of requirements on a homeowner wishing to install an EV charging station. It required that the charging station meet all applicable health and safety standards and requirements imposed by state and local permitting authorities. When the EV charging station is placed in the common area or exclusive use common area of the CID, SB 209 required the homeowner to agree to: comply with the CID's architectural standards for the installation of the charging station; engage a licensed contractor to install the charging station; pay for the electricity usage associated with the charging station; and provide a certificate of insurance that names the CID as an additional insured under the homeowner's insurance policy within 14 days of the

approval. SB 209 also required the homeowner, and each successive homeowner, to maintain an umbrella liability coverage policy of \$1,000,000. Lastly, SB 209 specified that the homeowner or their successor is responsible for: the costs and damage to the charging station, common areas, exclusive use common areas, or adjacent units that result from the installation, maintenance, repair, removal, or replacement of the charging station; the costs for the maintenance, removal, repair, or replacement of the charging station; the cost of electricity associated with the charging station; and for disclosing to prospective buyers the charging station and the attendant responsibilities.

SB 209's provisions were subsequently amended by SB 1016 (Allen, Ch. 376, Stats. 2018). Firstly, SB 1016 removed the requirement that the homeowner's liability coverage for an EV charging station within the common area or an exclusive use common area be for an amount of \$1,000,000. In addition, it removed the requirement that the HOA be named an additional insured under the policy. However, the statute contained language requiring the HOA be listed as an additional insured in two separate provisions, and SB 1016 only removed the requirement from one of the provisions.

4. SB 770 eliminates the requirement that an HOA member obtain insurance that names the HOA as an additional insured

Thus, despite SB 1016's amendments, the requirement that a homeowner installing an EV charging station obtain insurance that names the HOA as an additional insured is arguably still required. According to the author, this requirement makes it very difficult for homeowners hoping to install and use an EV charging station to actually do so, as very few insurance companies are willing to issue such policies and there is some confusion regarding the requirement. Additionally, the author asserts that EV charging stations are no more dangerous than an average household appliance and includes a variety of safety measures. It is true that EV charging stations and EVs themselves are generally safer than vehicles with internal combustion engines, and catch fire less frequently, but EV fires can be more difficult to put out because of the lithium batteries that are used in EVs and EV charging stations.⁵

To help ensure that more HOA members can install and use EV charging stations, promoting zero-emissions transportation, SB 770 proposes to remove the requirement that the HOA member's insurance policy name the HOA as an additional insured. This would conform with the changes previously made by SB 1016, as it would remove the remaining reference to a requirement that the HOA be named an additional insured.

⁵ Heekyong Yang & Ju-Min Park, "South Korean alarm over EV fires puts spotlight on safety concerns," Reuters (Aug. 14, 2024), <https://www.reuters.com/business/autos-transportation/south-korean-alarm-over-ev-fires-puts-spotlight-safety-concerns-2024-08-15/>.

5. Arguments in support

According to Chargepoint, Inc., which supports SB 770:

SB 770 makes an important clarification to existing law that currently serves as a barrier to install EV charging stations in communities that maintain an HOA. Current law requires that when installing an EV charging station at an HOA, that the resident agree, in writing, to meet certain requirements. One of those requirements is that the name of the HOA must be listed as an additional insured under the owner's insurance policy.

While on its face, this does not seem problematic, in practice it has become a barrier to installing EV charging stations. Many insurance companies are not aware of this requirement, and in addition, the many insurers do not even know how to list the HOA as an additional insured. This bill deletes the requirement that the HOA be listed as an additional insured under the owner's insurance policy. This does not remove the requirement that the owner maintains insurance for the installation of the EV charging station.

This is an important clarification because the vast majority of vehicle charging occurs at a person's residence. As the state transitions to a zero-emission vehicle (ZEV) future, we must do all that we can to ensure that we remove barriers that hinder ZEV adoption. California has long been a national and global leader in clean transportation, and SB 770 will help ensure that the state remains at the forefront of the ZEV revolution.

6. Arguments in opposition

According to the Community Associations Institute – California Legislative Action Committee, which opposes SB 770:

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.

SUPPORT

Chargepoint, Inc.

OPPOSITION

Community Associations Institute – California Legislative Action Committee

RELATED LEGISLATION

Pending Legislation: None known.

Prior Legislation:

SB 1016 (Allen, Ch. 376, Stats. 2018) required a homeowner in a CID who intends to install an EV charging station in the common area or exclusive use common area to agree to pay the costs associated with the installation of the charging station, and required the owner of the charging station, wherever located within the common interest development, to maintain a liability coverage policy, and provide the association with a corresponding certificate of insurance, as specified. SB 1016 required the award of attorney's fees to a prevailing plaintiff in an action by a homeowner requesting to have an EV charging station installed.

AB 634 (Eggman, Ch. 818, Stats. 2017) provided that homeowners' associations cannot impose conditions that effectively prohibit the installation or use of rooftop solar panel installation, but permitted homeowners' associations to impose other specified conditions, and required homeowners' associations to condition approval on maintenance of a homeowners insurance policy, among other things.

AB 1239 (Holden, 2017) would have required the state to develop building standards for EV parking spaces for existing nonresidential buildings and multifamily dwellings. The Governor vetoed AB 1239, stating that he is "directing the Government Operations Agency to work with all the key parties to identify barriers to the construction of charging stations in existing buildings."

SB 209 (Corbett, Ch.121, Stats. 2011) provided that HOAs cannot impose conditions that effectively prohibit the installation or use of an EV charging station, but permitted HOAs to impose other specified conditions, and required HOAs to condition approval on maintenance of an umbrella liability coverage policy of \$1,000,000 that names the common interest development as an additional insured, among other things.

PRIOR VOTES:

Senate Housing Committee (Ayes 8, Noes 2)
