



OFFICE OF THE GOVERNOR

SEP 20 2026

To the Members of the California State Senate:

I am returning Senate Bill 1238 without my signature.

This bill would make several changes to the Davis-Stirling Common Interest Development Act, which governs homeowners associations (HOAs), including establishing a duty of care owed by an HOA's managing agent to both the association and its individual members.

A managing agent acts on behalf of the association, while the association owes duties to its members. Establishing a duty owed to both the association and its individual members could create conflicting obligations when a member's interests diverge from those of the community as a whole. The resulting uncertainty could invite litigation, the costs of which homeowners would ultimately bear.

This provision also leaves unclear how the new statutory duty of care would interact with a managing agent's existing obligations to the association under common law.

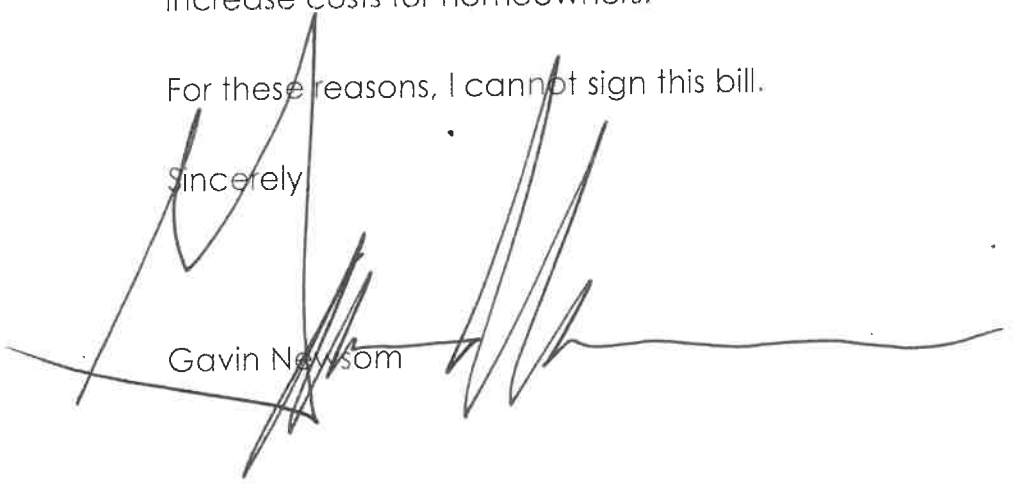
Several of the bill's remaining provisions overlap with existing requirements governing reserve planning and homeowners' access to association records, limiting their added benefit.

California should improve transparency and accountability in homeowners associations without creating legal uncertainty that could invite litigation and increase costs for homeowners.

For these reasons, I cannot sign this bill.

Sincerely,

Gavin Newsom

A large, stylized handwritten signature in black ink, appearing to be 'Gavin Newsom', is written over the printed name and extends across the page.