

AMENDED IN ASSEMBLY APRIL 17, 2001

AMENDED IN ASSEMBLY MARCH 23, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

**ASSEMBLY BILL**

**No. 210**

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**Introduced by Assembly Members Corbett, Jackson, Nation, and  
~~Steinberg~~ *Steinberg, and Washington***

February 9, 2001

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An act to amend Section 798.39 of the Civil Code, relating to mobilehomes.

LEGISLATIVE COUNSEL'S DIGEST

AB 210, as amended, Corbett. Mobilehomes: security deposits.

Existing law requires that security deposits paid to a mobilehome park on or after January 1, 1989, be refunded to the homeowner, upon written request from the homeowner, if the homeowner has timely paid rent, utilities, and reasonable service charges, as specified, for any 12 consecutive months after collection of the security deposit. Existing law also requires that, for security deposits paid to a mobilehome park prior to January 1, 1989, if a mobilehome park is sold, the selling park owner shall deposit in an escrow account an amount equal to all security deposits held and shall provide that, upon close of escrow, security deposits held for 12 months or more shall be refunded to persons who have timely paid all obligations, as specified, during the 12 months before the close of escrow.

This bill would require that security deposits paid to a mobilehome park prior to January 1, 1989, upon the extension or renewal of the rental agreement or lease between the homeowner and the management,

and upon the receipt of a written request from the homeowner, be refunded to the homeowner by management within ~~30~~ 60 days of receipt of the request, if the homeowner has timely paid rent, utilities, and reasonable service charges, as specified, for 12 consecutive months preceding the receipt of the written request.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 798.39 of the Civil Code is amended to  
2 read:

3 798.39. (a) The management may only demand a security  
4 deposit on or before initial occupancy and the security deposit may  
5 not be in an amount or value in excess of an amount equal to two  
6 months' rent that is charged at the inception of the occupancy, in  
7 addition to any rent for the first month. In no event shall additional  
8 security deposits be demanded of a homeowner following the  
9 initial occupancy.

10 (b) As to all security deposits collected on or after January 1,  
11 1989, after the homeowner has promptly paid to the management,  
12 within five days of the date the amount is due, all of the rent,  
13 utilities, and reasonable service charges for any  
14 12-consecutive-month period subsequent to the collection of the  
15 security deposit by the management, or upon resale of the  
16 mobilehome, whichever occurs earlier, the management shall,  
17 upon the receipt of a written request from the homeowner, refund  
18 to the homeowner the amount of the security deposit within 30  
19 days following the end of the 12-consecutive-month period of the  
20 prompt payment or the date of the resale of the mobilehome.

21 (c) As to all security deposits collected prior to January 1, 1989,  
22 upon the extension or renewal of the rental agreement or lease  
23 between the homeowner and the management, and upon the  
24 receipt of a written request from the homeowner, if the homeowner  
25 has promptly paid to the management, within five days of the date  
26 the amount is due, all of the rent, utilities, and reasonable service  
27 charges for the 12-consecutive-month period preceding the receipt  
28 of the written request, the management shall refund to the  
29 homeowner the amount of the security deposit within ~~30~~ 60 days.



1 (d) As to all security deposits collected prior to January 1, 1989,  
2 and not disbursed pursuant to subdivision (c), in the event that the  
3 mobilehome park is sold or transferred to any other party or entity,  
4 the selling park owner shall deposit in escrow an amount equal to  
5 all security deposits that the park owner holds. The seller's escrow  
6 instructions shall direct that, upon close of escrow, the security  
7 deposits therein that were held by the selling park owner  
8 (including the period in escrow) for 12 months or more, shall be  
9 disbursed to the persons who paid the deposits to the selling park  
10 owner and promptly paid, within five days of the date the amount  
11 is due, all rent, utilities, and reasonable service charges for the  
12 12-month period preceding the close of escrow.

13 (e) Any and all security deposits in escrow that were held by the  
14 selling park owner that are not required to be disbursed pursuant  
15 to subdivision (b), (c), or (d) shall be disbursed to the successors  
16 in interest to the selling or transferring park owner, who shall have  
17 the same obligations of the park's management and ownership  
18 specified in this section with respect to security deposits. The  
19 disbursement may be made in escrow by a debit against the selling park  
20 owner and a credit to the successors in interest to the selling park  
21 owner.

22 (f) The management shall not be required to place any security  
23 deposit collected in an interest-bearing account or to provide a  
24 homeowner with any interest on the security deposit collected.

25 (g) Nothing in this section shall affect the validity of title to real  
26 property transferred in violation of this section.

