

Senate Bill No. 115

CHAPTER 76

An act to add Section 1947.3 to the Civil Code, relating to landlord and tenant.

[Approved by Governor June 25, 2004. Filed with
Secretary of State June 28, 2004.]

LEGISLATIVE COUNSEL'S DIGEST

SB 115, Torlakson. Landlord and tenant: payments.

Existing law regulates the relationship between landlord and tenant and the terms and conditions of tenancies. Existing law requires a tenant to pay rent as it successively becomes due.

This bill would prohibit a landlord or a landlord's agent from requiring cash as the exclusive payment of rent or deposit of security, except in circumstances following a tenant's failure to pay rent with a valid financial instrument, as specified. The bill would specify that, for the purposes of these provisions, the issuance of a money order or a cashier's check is direct evidence only that the instrument was issued. The bill would provide that a waiver of these provisions is contrary to public policy, void, and unenforceable.

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

SECTION 1. Section 1947.3 is added to the Civil Code, to read:

1947.3. (a) (1) Except as provided in paragraph (2), a landlord or a landlord's agent may not demand or require cash as the exclusive form of payment of rent or deposit of security.

(2) A landlord or a landlord's agent may demand or require cash as the exclusive form of payment of rent or deposit of security if the tenant has previously attempted to pay the landlord or landlord's agent with a check drawn on insufficient funds or the tenant has instructed the drawee to stop payment on a check, draft, or order for the payment of money. The landlord may demand or require cash as the exclusive form of payment only for a period not exceeding three months following an attempt to pay with a check on insufficient funds or following a tenant's instruction to stop payment. If the landlord chooses to demand or require cash payment under these circumstances, the landlord shall give the tenant a written notice stating that the payment instrument was dishonored and informing the tenant that the tenant shall pay in cash for a period determined by the landlord, not to exceed three months, and attach a



copy of the dishonored instrument to the notice. The notice shall comply with Section 827 if demanding or requiring payment in cash constitutes a change in the terms of the lease.

(3) Paragraph (2) does not enlarge or diminish a landlord's or landlord's agent's legal right to terminate a tenancy.

(b) For the purposes of this section, the issuance of a money order or a cashier's check is direct evidence only that the instrument was issued.

(c) A waiver of the provisions of this section is contrary to public policy, and is void and unenforceable.

