

AMENDED IN ASSEMBLY APRIL 26, 2012

AMENDED IN ASSEMBLY APRIL 18, 2012

AMENDED IN ASSEMBLY APRIL 11, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 1938

Introduced by Assembly Member Williams

February 22, 2012

An act to amend Sections 798.15 ~~and~~, 798.17, *and* 798.39.5 of the Civil Code, relating to mobilehomes.

LEGISLATIVE COUNSEL'S DIGEST

AB 1938, as amended, Williams. Mobilehomes: rental agreements.

The Mobilehome Residency Law governs the terms and conditions of residency in mobilehome parks. Existing law requires mobilehome rental agreements to be in writing and to contain certain information, including, among other things, the term of the tenancy, the rent, the rules and regulations of the park, a copy of the Mobilehome Residency Law, and all other provisions governing the tenancy.

This bill would additionally require, for rental agreements in excess of 12 months' duration, that the management of a mobilehome park include a ~~written~~ summary *page* of all rent, utilities, and other specified charges a homeowner would be obligated to pay under the agreement. ~~The bill would prohibit the inclusion of any provision in a rental agreement that would authorize the management to increase a homeowner's rent or otherwise separately charge the homeowner for losses incurred by the park owner, as specified. The bill would specify that in the event that an error on the summary page described above conflicts with the rental agreement, the rental agreement shall prevail.~~

The Mobilehome Residency Law also exempts a rental agreement that satisfies specified criteria from any ordinance, rule, regulation, or initiative measure adopted by a local governmental entity that establishes a maximum amount a landlord may charge a tenant for rent. In order for the exemption to apply, existing law requires the rental agreement to, among other things, enable the homeowner to void the rental agreement by notifying management in writing within 72 hours of the homeowner’s execution of the agreement.

This bill would instead require that the rental agreement enable the homeowner to void the rental agreement by notifying management in writing within 72 hours of the homeowner’s execution of a written acknowledgment indicating that the homeowner has received receipt of an executed copy of the rental agreement.

Existing law prohibits the management of a mobilehome park from charging or imposing upon a homeowner any fee or increase in rent which reflects the cost to the management of certain fines, fees, or damages assessed or awarded by a court against the management for a violation of the Mobilehome Residency Law.

This bill would extend the above provisions to fines, fees, or damages assessed or awarded by the court against the management for a violation of specified laws pertaining to mobilehome parks.

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 798.15 of the Civil Code is amended to
- 2 read:
- 3 798.15. ~~(a)~~—The rental agreement shall be in writing and shall
- 4 contain, in addition to the provisions otherwise required by law to
- 5 be included, all of the following:
- 6 ~~(1)~~
- 7 (a) The term of the tenancy and the rent therefor.
- 8 ~~(2)~~
- 9 (b) The rules and regulations of the park.
- 10 ~~(3)~~
- 11 (c) A copy of the text of this chapter shall be attached as an
- 12 exhibit and shall be incorporated into the rental agreement by
- 13 reference. Management shall do one of the following prior to

1 February 1 of each year, if a significant change was made in this
2 chapter by legislation enacted in the prior year:

3 ~~(A)~~

4 (1) Provide all homeowners with a copy of this chapter.

5 ~~(B)~~

6 (2) Provide written notice to all homeowners that there has been
7 a change to this chapter and that they may obtain one copy of this
8 chapter from management at no charge. Management must provide
9 a copy within a reasonable time, not to exceed seven days upon
10 request.

11 ~~(4)~~

12 (d) A provision specifying that (A) it is the responsibility of the
13 management to provide and maintain physical improvements in
14 the common facilities in good working order and condition and
15 (B) with respect to a sudden or unforeseeable breakdown or
16 deterioration of these improvements, the management shall have
17 a reasonable period of time to repair the sudden or unforeseeable
18 breakdown or deterioration and bring the improvements into good
19 working order and condition after management knows or should
20 have known of the breakdown or deterioration. For purposes of
21 this subdivision, a reasonable period of time to repair a sudden or
22 unforeseeable breakdown or deterioration shall be as soon as
23 possible in situations affecting a health or safety condition, and
24 shall not exceed 30 days in any other case except where exigent
25 circumstances justify a delay.

26 ~~(5)~~

27 (e) A description of the physical improvements to be provided
28 the homeowner during his or her tenancy.

29 ~~(6)~~

30 (f) A provision listing those services which will be provided at
31 the time the rental agreement is executed and will continue to be
32 offered for the term of tenancy and the fees, if any, to be charged
33 for those services.

34 ~~(7)~~

35 (g) A provision stating that management may charge a
36 reasonable fee for services relating to the maintenance of the land
37 and premises upon which a mobilehome is situated in the event
38 the homeowner fails to maintain the land or premises in accordance
39 with the rules and regulations of the park after written notification
40 to the homeowner and the failure of the homeowner to comply

1 within 14 days. The written notice shall state the specific condition
2 to be corrected and an estimate of the charges to be imposed by
3 management if the services are performed by management or its
4 agent.

5 (8)

6 (h) For rental agreements in excess of 12 months' duration, a
7 summary page attached to the front of the rental agreement entitled
8 "Summary Page of Rent, Utilities and Other Charges" that clearly
9 and concisely summarizes each financial or monetary charge the
10 homeowner shall be liable for during the term of the rental
11 agreement, including, but not limited to, any amounts to be paid
12 for annual rent increases, the passthrough of any expense amount
13 as part of rent, utilities, known incidental reasonable charges for
14 services actually rendered, rent increases intended to take effect
15 upon the sale or transfer of the mobilehome, or any other rent
16 increases that can be obtained during the term of the rental
17 agreement. *In the event that an error on the summary page conflicts*
18 *with the terms of the rental agreement, the rental agreement shall*
19 *prevail.*

20 (9)

21 (i) All other provisions governing the tenancy.

22 ~~(b) A rental agreement shall not contain any provision that~~
23 ~~authorizes the management in any way to increase the amount of~~
24 ~~rent to be paid by the homeowner, or to separately charge the~~
25 ~~homeowner, for any of the following:~~

26 ~~(1) Losses incurred by a park owner that are not fully~~
27 ~~compensated by insurance.~~

28 ~~(2) Losses or expenses that a park owner is ordered by any court~~
29 ~~or arbitrator to pay as damages or to compensate any person or~~
30 ~~group of persons, because of any claim, lawsuit, arbitration, or~~
31 ~~administrative action brought against the park or park owner that~~
32 ~~for any reason is not paid by insurance.~~

33 ~~Any provision described in this subdivision contained in a rental~~
34 ~~agreement shall be deemed void and unenforceable as contrary to~~
35 ~~public policy.~~

36 SEC. 2. Section 798.17 of the Civil Code is amended to read:

37 798.17. (a) (1) Rental agreements meeting the criteria of
38 subdivision (b) shall be exempt from any ordinance, rule,
39 regulation, or initiative measure adopted by any local governmental
40 entity which establishes a maximum amount that a landlord may

1 charge a tenant for rent. The terms of a rental agreement meeting
2 the criteria of subdivision (b) shall prevail over conflicting
3 provisions of an ordinance, rule, regulation, or initiative measure
4 limiting or restricting rents in mobilehome parks, only during the
5 term of the rental agreement or one or more uninterrupted,
6 continuous extensions thereof. If the rental agreement is not
7 extended and no new rental agreement in excess of 12 months'
8 duration is entered into, then the last rental rate charged for the
9 space under the previous rental agreement shall be the base rent
10 for purposes of applicable provisions of law concerning rent
11 regulation, if any.

12 (2) In the first sentence of the first paragraph of a rental
13 agreement entered into on or after January 1, 1993, pursuant to
14 this section, there shall be set forth a provision in at least 12-point
15 boldface type if the rental agreement is printed, or in capital letters
16 if the rental agreement is typed, giving notice to the homeowner
17 that the rental agreement will be exempt from any ordinance, rule,
18 regulation, or initiative measure adopted by any local governmental
19 entity which establishes a maximum amount that a landlord may
20 charge a tenant for rent.

21 (b) Rental agreements subject to this section shall meet all of
22 the following criteria:

23 (1) The rental agreement shall be in excess of 12 months'
24 duration.

25 (2) The rental agreement shall be entered into between the
26 management and a homeowner for the personal and actual
27 residence of the homeowner.

28 (3) The homeowner shall have at least 30 days from the date
29 the rental agreement is first offered to the homeowner to accept
30 or reject the rental agreement.

31 (4) The homeowner who executes a rental agreement offered
32 pursuant to this section may void the rental agreement by notifying
33 management in writing within 72 hours of the homeowner's
34 ~~execution of a written acknowledgment indicating that the~~
35 ~~homeowner has received~~ *receipt of* an executed copy of the rental
36 agreement, *pursuant to Section 798.16.*

37 (c) If, pursuant to paragraph (3) or (4) of subdivision (b), the
38 homeowner rejects the offered rental agreement or rescinds a signed
39 rental agreement, the homeowner shall be entitled to instead accept,
40 pursuant to Section 798.18, a rental agreement for a term of 12

1 months or less from the date the offered rental agreement was to
2 have begun. In the event the homeowner elects to have a rental
3 agreement for a term of 12 months or less, including a
4 month-to-month rental agreement, the rental agreement shall
5 contain the same rental charges, terms, and conditions as the rental
6 agreement offered pursuant to subdivision (b), during the first 12
7 months, except for options, if any, contained in the offered rental
8 agreement to extend or renew the rental agreement.

9 (d) Nothing in subdivision (c) shall be construed to prohibit the
10 management from offering gifts of value, other than rental rate
11 reductions, to homeowners who execute a rental agreement
12 pursuant to this section.

13 (e) With respect to any space in a mobilehome park that is
14 exempt under subdivision (a) from any ordinance, rule, regulation,
15 or initiative measure adopted by any local governmental entity
16 that establishes a maximum amount that a landlord may charge a
17 homeowner for rent, and notwithstanding any ordinance, rule,
18 regulation, or initiative measure, a mobilehome park shall not be
19 assessed any fee or other exaction for a park space that is exempt
20 under subdivision (a) imposed pursuant to any ordinance, rule,
21 regulation, or initiative measure. No other fee or other exaction
22 shall be imposed for a park space that is exempt under subdivision
23 (a) for the purpose of defraying the cost of administration thereof.

24 (f) At the time the rental agreement is first offered to the
25 homeowner, the management shall provide written notice to the
26 homeowner of the homeowner's right (1) to have at least 30 days
27 to inspect the rental agreement, and (2) to void the rental agreement
28 by notifying management in writing within 72 hours of ~~the~~
29 ~~acceptance of a receipt of an executed copy of the~~ rental agreement.
30 The failure of the management to provide the written notice shall
31 make the rental agreement voidable at the homeowner's option
32 upon the homeowner's discovery of the failure. The receipt of any
33 written notice provided pursuant to this subdivision shall be
34 acknowledged in writing by the homeowner.

35 (g) No rental agreement subject to subdivision (a) that is first
36 entered into on or after January 1, 1993, shall have a provision
37 which authorizes automatic extension or renewal of, or
38 automatically extends or renews, the rental agreement for a period
39 beyond the initial stated term at the sole option of either the
40 management or the homeowner.

1 (h) This section does not apply to or supersede other provisions
2 of this part or other state law.

3 *SEC. 3. Section 798.39.5 of the Civil Code is amended to read:*

4 798.39.5. (a) The management shall not charge or impose
5 upon a homeowner any fee or increase in rent which reflects the
6 cost to the management of any fine, forfeiture, penalty, money
7 damages, or fee assessed or awarded by a court of law against the
8 management for a violation of this chapter *or Part 2.1*
9 *(commencing with Section 18200) of Division 13 of the Health*
10 *and Safety Code*, including any attorney's fees and costs incurred
11 by the management in connection therewith.

12 (b) A court shall consider the remoteness in time of the
13 assessment or award against the management of any fine, forfeiture,
14 penalty, money damages, or fee in determining whether the
15 homeowner has met the burden of proof that the fee or increase in
16 rent is in violation of this section.

17 (c) Any provision in a rental agreement entered into, renewed,
18 or modified on or after January 1, 1995, that permits a fee or
19 increase in rent that reflects the cost to the management of any
20 money damages awarded against the management for a violation
21 of this chapter shall be void.