

AMENDED IN ASSEMBLY AUGUST 5, 2013

AMENDED IN ASSEMBLY JUNE 25, 2013

AMENDED IN ASSEMBLY JUNE 11, 2013

AMENDED IN SENATE APRIL 15, 2013

**SENATE BILL**

**No. 745**

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**Introduced by Committee on Transportation and Housing (Senators DeSaulnier (Chair), Beall, Cannella, Gaines, Galgiani, Hueso, Lara, Liu, Pavley, Roth, and Wyland)**

February 22, 2013

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An act to amend Sections 1101.5, 1941.4, 2924b, 4005, 4035, 4070, 4090, 4205, 4290, 4350, 4525, 4528, 4530, and 4920 of, and to repeal Sections 1363.05, 1368, and 1368.2 of, the Civil Code, to amend Sections 12191 and 65582 of, and to repeal Section 65585.2 of, the Government Code, and to amend Sections 13114 and 50675.14 of the Health and Safety Code, relating to housing.

LEGISLATIVE COUNSEL'S DIGEST

SB 745, as amended, Committee on Transportation and Housing. Housing.

(1) Existing law requires on and after January 1, 2014, replacement of noncompliant plumbing fixtures in multifamily residential real property and commercial real property, as specified.

This bill would make a technical, nonsubstantive change.

(2) Existing law, the ~~Davis-Sterling~~ *Davis-Stirling* Common Interest Development Act defines and regulates common interest developments. Operative January 1, 2014, the act will be reorganized and recodified.

This bill would repeal provisions of the act that are superseded by the reorganization and recodification of the act. The bill would make

other conforming changes, would authorize an action that is required to be approved by a majority of a quorum of the members at a duly held meeting at which a quorum is present to, instead, be approved by a majority in a duly held election in which a quorum is represented, would revise provisions governing inconsistencies between the governing documents and the law and other inconsistencies to instead apply to conflicts, would authorize delivery of documents to the homeowner's association by specified types of mail delivery, would revise requirements for a board teleconference and the form for billing disclosures, and would prohibit cancellation fees for requests for documents, as specified.

(3) Existing law requires the lessor of a building intended for residential occupation to ensure that the inside telephone wiring meets the applicable standards of the most recent National Electrical Code.

This bill would replace the reference to the National Electrical Code with the California Electrical Code.

(4) Existing law requires the State Fire Marshal to adopt regulations to control the quality and installation of fire alarm systems and devices, and prohibits the marketing, distribution, or sale of any fire alarm system or device that has not been approved by the State Fire Marshal.

Existing law, commencing January 1, 2014, requires a smoke alarm to meet prescribed requirements, including, but not limited to, the requirement that it incorporate an end-of-life feature that provides notice that the device needs to be replaced and that it, if battery operated, contain a nonreplaceable, nonremovable battery capable of powering the smoke alarm at least 10 years in order for the smoke alarm to be approved by the State Fire Marshal. Existing law authorizes the State Fire Marshal to suspend enforcement of this requirement for a period not to exceed 6 months.

This bill would recast those provisions to, instead, require commencing July 1, 2014, a smoke alarm that is only battery operated to contain a nonreplaceable, nonremovable battery capable of powering the smoke alarm for at least 10 years in order to be approved by the State Fire Marshal. The bill would also require, commencing January 1, 2015, a smoke alarm to display the manufacture date, provide a place to write the date of installation on the device, and incorporate a hush feature in order for the State Fire Marshal to approve it. The bill would delete the authority for the State Fire Marshal to suspend enforcement of these requirements, and would authorize the State Fire Marshal to adopt exceptions through its regulatory process.

(5) This bill would delete an obsolete provision related to eligibility for funding under the Housing and Emergency Shelter Trust Fund Act of 2002.

(6) This bill would incorporate additional changes to Section 2924b of the Civil Code proposed by Senate Bill 752 that would become operative if this bill and Senate Bill 752 are enacted and this bill is enacted last.

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

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

1 SECTION 1. Section 1101.5 of the Civil Code is amended to  
2 read:

3 1101.5. (a) On or before January 1, 2019, all noncompliant  
4 plumbing fixtures in any multifamily residential real property and  
5 in any commercial real property shall be replaced with  
6 water-conserving plumbing fixtures.

7 (b) An owner or the owner’s agent may enter the owner’s  
8 property for the purpose of installing, repairing, testing, and  
9 maintaining water-conserving plumbing fixtures required by this  
10 section, consistent with notice requirements of Section 1954.

11 (c) On and after January 1, 2019, the water-conserving plumbing  
12 fixtures required by this section shall be operating at the  
13 manufacturer’s rated water consumption at the time that the tenant  
14 takes possession. A tenant shall be responsible for notifying the  
15 owner or owner’s agent if the tenant becomes aware that a  
16 water-conserving plumbing fixture within his or her unit is not  
17 operating at the manufacturer’s rated water consumption. The  
18 owner or owner’s agent shall correct an inoperability in a  
19 water-conserving plumbing fixture upon notice by the tenant or if  
20 detected by the owner or the owner’s agent.

21 (d) (1) On and after January 1, 2014, all noncompliant plumbing  
22 fixtures in any multifamily residential real property and any  
23 commercial real property shall be replaced with water-conserving  
24 plumbing fixtures in the following circumstances:

25 (A) For building additions in which the sum of concurrent  
26 building permits by the same permit applicant would increase the  
27 floor area of the space in a building by more than 10 percent, the

1 building permit applicant shall replace all noncompliant plumbing  
2 fixtures in the building.

3 (B) For building alterations or improvements in which the total  
4 construction cost estimated in the building permit is greater than  
5 one hundred fifty thousand dollars (\$150,000), the building permit  
6 applicant shall replace all noncompliant plumbing fixtures that  
7 service the specific area of the improvement.

8 (C) Notwithstanding subparagraph (A) or (B), for any alterations  
9 or improvements to a room in a building that require a building  
10 permit and that room contains any noncompliant plumbing fixtures,  
11 the building permit applicant shall replace all noncompliant  
12 plumbing fixtures in that room.

13 (2) Replacement of all noncompliant plumbing fixtures with  
14 water-conserving plumbing fixtures, as described in paragraph (1),  
15 shall be a condition for issuance of a certificate of final completion  
16 and occupancy or final permit approval by the local building  
17 department.

18 (e) On and after January 1, 2019, a seller or transferor of  
19 multifamily residential real property or of commercial real property  
20 shall disclose to the prospective purchaser or transferee, in writing,  
21 the requirements of subdivision (a) and whether the property  
22 includes any noncompliant plumbing fixtures. This disclosure may  
23 be included in other transactional documents.

24 SEC. 2. Section 1363.05 of the Civil Code is repealed.

25 SEC. 3. Section 1368 of the Civil Code is repealed.

26 SEC. 4. Section 1368.2 of the Civil Code is repealed.

27 SEC. 5. Section 1941.4 of the Civil Code is amended to read:

28 1941.4. The lessor of a building intended for the residential  
29 occupation of human beings shall be responsible for installing at  
30 least one usable telephone jack and for placing and maintaining  
31 the inside telephone wiring in good working order, shall ensure  
32 that the inside telephone wiring meets the applicable standards of  
33 the most recent California Electrical Code, and shall make any  
34 required repairs. The lessor shall not restrict or interfere with access  
35 by the telephone utility to its telephone network facilities up to the  
36 demarcation point separating the inside wiring.

37 “Inside telephone wiring” for purposes of this section, means  
38 that portion of the telephone wire that connects the telephone  
39 equipment at the customer’s premises to the telephone network at

1 a demarcation point determined by the telephone corporation in  
2 accordance with orders of the Public Utilities Commission.

3 SEC. 6. Section 2924b of the Civil Code is amended to read:

4 2924b. (a) Any person desiring a copy of any notice of default  
5 and of any notice of sale under any deed of trust or mortgage with  
6 power of sale upon real property or an estate for years therein, as  
7 to which deed of trust or mortgage the power of sale cannot be  
8 exercised until these notices are given for the time and in the  
9 manner provided in Section 2924 may, at any time subsequent to  
10 recordation of the deed of trust or mortgage and prior to recordation  
11 of notice of default thereunder, cause to be filed for record in the  
12 office of the recorder of any county in which any part or parcel of  
13 the real property is situated, a duly acknowledged request for a  
14 copy of the notice of default and of sale. This request shall be  
15 signed and acknowledged by the person making the request,  
16 specifying the name and address of the person to whom the notice  
17 is to be mailed, shall identify the deed of trust or mortgage by  
18 stating the names of the parties thereto, the date of recordation  
19 thereof, and the book and page where the deed of trust or mortgage  
20 is recorded or the recorder’s number, and shall be in substantially  
21 the following form:

22  
23 “In accordance with Section 2924b, Civil Code, request is hereby  
24 made that a copy of any notice of default and a copy of any notice of sale  
25 under the deed of trust (or mortgage) recorded \_\_\_\_\_, \_\_\_\_\_, in Book  
26 \_\_\_\_\_ page \_\_\_\_\_ records of \_\_\_\_\_ County, (or filed for record with  
27 recorder’s serial number \_\_\_\_\_, \_\_\_\_\_ County) California, executed  
28 by \_\_\_\_\_ as trustor (or mortgagor) in which \_\_\_\_\_ is named as  
29 beneficiary (or mortgagee) and \_\_\_\_\_ as trustee be mailed to  
30 \_\_\_\_\_ at \_\_\_\_\_.  
31 Name Address

32 NOTICE: A copy of any notice of default and of any notice of sale will be  
33 sent only to the address contained in this recorded request. If your address  
34 changes, a new request must be recorded.

35 Signature \_\_\_\_\_”

36  
37 Upon the filing for record of the request, the recorder shall index  
38 in the general index of grantors the names of the trustors (or  
39 mortgagors) recited therein and the names of persons requesting  
40 copies.

1 (b) The mortgagee, trustee, or other person authorized to record  
2 the notice of default or the notice of sale shall do each of the  
3 following:

4 (1) Within 10 business days following recordation of the notice  
5 of default, deposit or cause to be deposited in the United States  
6 mail an envelope, sent by registered or certified mail with postage  
7 prepaid, containing a copy of the notice with the recording date  
8 shown thereon, addressed to each person whose name and address  
9 are set forth in a duly recorded request therefor, directed to the  
10 address designated in the request and to each trustor or mortgagor  
11 at his or her last known address if different than the address  
12 specified in the deed of trust or mortgage with power of sale.

13 (2) At least 20 days before the date of sale, deposit or cause to  
14 be deposited in the United States mail an envelope, sent by  
15 registered or certified mail with postage prepaid, containing a copy  
16 of the notice of the time and place of sale, addressed to each person  
17 whose name and address are set forth in a duly recorded request  
18 therefor, directed to the address designated in the request and to  
19 each trustor or mortgagor at his or her last known address if  
20 different than the address specified in the deed of trust or mortgage  
21 with power of sale.

22 (3) As used in paragraphs (1) and (2), the “last known address”  
23 of each trustor or mortgagor means the last business or residence  
24 physical address actually known by the mortgagee, beneficiary,  
25 trustee, or other person authorized to record the notice of default.  
26 For the purposes of this subdivision, an address is “actually known”  
27 if it is contained in the original deed of trust or mortgage, or in  
28 any subsequent written notification of a change of physical address  
29 from the trustor or mortgagor pursuant to the deed of trust or  
30 mortgage. For the purposes of this subdivision, “physical address”  
31 does not include an email or any form of electronic address for a  
32 trustor or mortgagor. The beneficiary shall inform the trustee of  
33 the trustor’s last address actually known by the beneficiary.  
34 However, the trustee shall incur no liability for failing to send any  
35 notice to the last address unless the trustee has actual knowledge  
36 of it.

37 (4) A “person authorized to record the notice of default or the  
38 notice of sale” shall include an agent for the mortgagee or  
39 beneficiary, an agent of the named trustee, any person designated

1 in an executed substitution of trustee, or an agent of that substituted  
2 trustee.

3 (c) The mortgagee, trustee, or other person authorized to record  
4 the notice of default or the notice of sale shall do the following:

5 (1) Within one month following recordation of the notice of  
6 default, deposit or cause to be deposited in the United States mail  
7 an envelope, sent by registered or certified mail with postage  
8 prepaid, containing a copy of the notice with the recording date  
9 shown thereon, addressed to each person set forth in paragraph  
10 (2), provided that the estate or interest of any person entitled to  
11 receive notice under this subdivision is acquired by an instrument  
12 sufficient to impart constructive notice of the estate or interest in  
13 the land or portion thereof that is subject to the deed of trust or  
14 mortgage being foreclosed, and provided the instrument is recorded  
15 in the office of the county recorder so as to impart that constructive  
16 notice prior to the recording date of the notice of default and  
17 provided the instrument as so recorded sets forth a mailing address  
18 that the county recorder shall use, as instructed within the  
19 instrument, for the return of the instrument after recording, and  
20 which address shall be the address used for the purposes of mailing  
21 notices herein.

22 (2) The persons to whom notice shall be mailed under this  
23 subdivision are:

24 (A) The successor in interest, as of the recording date of the  
25 notice of default, of the estate or interest or any portion thereof of  
26 the trustor or mortgagor of the deed of trust or mortgage being  
27 foreclosed.

28 (B) The beneficiary or mortgagee of any deed of trust or  
29 mortgage recorded subsequent to the deed of trust or mortgage  
30 being foreclosed, or recorded prior to or concurrently with the  
31 deed of trust or mortgage being foreclosed but subject to a recorded  
32 agreement or a recorded statement of subordination to the deed of  
33 trust or mortgage being foreclosed.

34 (C) The assignee of any interest of the beneficiary or mortgagee  
35 described in subparagraph (B), as of the recording date of the notice  
36 of default.

37 (D) The vendee of any contract of sale, or the lessee of any  
38 lease, of the estate or interest being foreclosed that is recorded  
39 subsequent to the deed of trust or mortgage being foreclosed, or  
40 recorded prior to or concurrently with the deed of trust or mortgage

1 being foreclosed but subject to a recorded agreement or statement  
2 of subordination to the deed of trust or mortgage being foreclosed.

3 (E) The successor in interest to the vendee or lessee described  
4 in subparagraph (D), as of the recording date of the notice of  
5 default.

6 (F) The office of the Controller, Sacramento, California, where,  
7 as of the recording date of the notice of default, a “Notice of Lien  
8 for Postponed Property Taxes” has been recorded against the real  
9 property to which the notice of default applies.

10 (3) At least 20 days before the date of sale, deposit or cause to  
11 be deposited in the United States mail an envelope, sent by  
12 registered or certified mail with postage prepaid, containing a copy  
13 of the notice of the time and place of sale addressed to each person  
14 to whom a copy of the notice of default is to be mailed as provided  
15 in paragraphs (1) and (2), and addressed to the office of any state  
16 taxing agency, Sacramento, California, that has recorded,  
17 subsequent to the deed of trust or mortgage being foreclosed, a  
18 notice of tax lien prior to the recording date of the notice of default  
19 against the real property to which the notice of default applies.

20 (4) Provide a copy of the notice of sale to the Internal Revenue  
21 Service, in accordance with Section 7425 of the Internal Revenue  
22 Code and any applicable federal regulation, if a “Notice of Federal  
23 Tax Lien under Internal Revenue Laws” has been recorded,  
24 subsequent to the deed of trust or mortgage being foreclosed,  
25 against the real property to which the notice of sale applies. The  
26 failure to provide the Internal Revenue Service with a copy of the  
27 notice of sale pursuant to this paragraph shall be sufficient cause  
28 to rescind the trustee’s sale and invalidate the trustee’s deed, at  
29 the option of either the successful bidder at the trustee’s sale or  
30 the trustee, and in either case with the consent of the beneficiary.  
31 Any option to rescind the trustee’s sale pursuant to this paragraph  
32 shall be exercised prior to any transfer of the property by the  
33 successful bidder to a bona fide purchaser for value. A rescission  
34 of the trustee’s sale pursuant to this paragraph may be recorded in  
35 a notice of rescission pursuant to Section 1058.5.

36 (5) The mailing of notices in the manner set forth in paragraph  
37 (1) shall not impose upon any licensed attorney, agent, or employee  
38 of any person entitled to receive notices as herein set forth any  
39 duty to communicate the notice to the entitled person from the fact

1 that the mailing address used by the county recorder is the address  
2 of the attorney, agent, or employee.

3 (d) Any deed of trust or mortgage with power of sale hereafter  
4 executed upon real property or an estate for years therein may  
5 contain a request that a copy of any notice of default and a copy  
6 of any notice of sale thereunder shall be mailed to any person or  
7 party thereto at the address of the person given therein, and a copy  
8 of any notice of default and of any notice of sale shall be mailed  
9 to each of these at the same time and in the same manner required  
10 as though a separate request therefor had been filed by each of  
11 these persons as herein authorized. If any deed of trust or mortgage  
12 with power of sale executed after September 19, 1939, except a  
13 deed of trust or mortgage of any of the classes excepted from the  
14 provisions of Section 2924, does not contain a mailing address of  
15 the trustor or mortgagor therein named, and if no request for special  
16 notice by the trustor or mortgagor in substantially the form set  
17 forth in this section has subsequently been recorded, a copy of the  
18 notice of default shall be published once a week for at least four  
19 weeks in a newspaper of general circulation in the county in which  
20 the property is situated, the publication to commence within 10  
21 business days after the filing of the notice of default. In lieu of  
22 publication, a copy of the notice of default may be delivered  
23 personally to the trustor or mortgagor within the 10 business days  
24 or at any time before publication is completed, or by posting the  
25 notice of default in a conspicuous place on the property and mailing  
26 the notice to the last known address of the trustor or mortgagor.

27 (e) Any person required to mail a copy of a notice of default or  
28 notice of sale to each trustor or mortgagor pursuant to subdivision  
29 (b) or (c) by registered or certified mail shall simultaneously cause  
30 to be deposited in the United States mail, with postage prepaid and  
31 mailed by first-class mail, an envelope containing an additional  
32 copy of the required notice addressed to each trustor or mortgagor  
33 at the same address to which the notice is sent by registered or  
34 certified mail pursuant to subdivision (b) or (c). The person shall  
35 execute and retain an affidavit identifying the notice mailed,  
36 showing the name and residence or business address of that person,  
37 that he or she is over 18 years of age, the date of deposit in the  
38 mail, the name and address of the trustor or mortgagor to whom  
39 sent, and that the envelope was sealed and deposited in the mail  
40 with postage fully prepaid. In the absence of fraud, the affidavit

1 required by this subdivision shall establish a conclusive  
2 presumption of mailing.

3 (f) (1) Notwithstanding subdivision (a), with respect to separate  
4 interests governed by an association, as defined in Section 4080,  
5 the association may cause to be filed in the office of the recorder  
6 in the county in which the separate interests are situated a request  
7 that a mortgagee, trustee, or other person authorized to record a  
8 notice of default regarding any of those separate interests mail to  
9 the association a copy of any trustee's deed upon sale concerning  
10 a separate interest. The request shall include a legal description or  
11 the assessor's parcel number of all the separate interests. A request  
12 recorded pursuant to this subdivision shall include the name and  
13 address of the association and a statement that it is a homeowners'  
14 association. Subsequent requests of an association shall supersede  
15 prior requests. A request pursuant to this subdivision shall be  
16 recorded before the filing of a notice of default. The mortgagee,  
17 trustee, or other authorized person shall mail the requested  
18 information to the association within 15 business days following  
19 the date of the trustee's sale. Failure to mail the request, pursuant  
20 to this subdivision, shall not affect the title to real property.

21 (2) A request filed pursuant to paragraph (1) does not, for  
22 purposes of Section 27288.1 of the Government Code, constitute  
23 a document that either effects or evidences a transfer or  
24 encumbrance of an interest in real property or that releases or  
25 terminates any interest, right, or encumbrance of an interest in real  
26 property.

27 (g) No request for a copy of any notice filed for record pursuant  
28 to this section, no statement or allegation in the request, and no  
29 record thereof shall affect the title to real property or be deemed  
30 notice to any person that any person requesting copies of notice  
31 has or claims any right, title, or interest in, or lien or charge upon  
32 the property described in the deed of trust or mortgage referred to  
33 therein.

34 (h) "Business day," as used in this section, has the meaning  
35 specified in Section 9.

36 SEC. 6.5. Section 2924b of the Civil Code is amended to read:

37 2924b. (a) Any person desiring a copy of any notice of default  
38 and of any notice of sale under any deed of trust or mortgage with  
39 power of sale upon real property or an estate for years therein, as  
40 to which deed of trust or mortgage the power of sale cannot be

1 exercised until these notices are given for the time and in the  
 2 manner provided in Section 2924 may, at any time subsequent to  
 3 recordation of the deed of trust or mortgage and prior to recordation  
 4 of notice of default thereunder, cause to be filed for record in the  
 5 office of the recorder of any county in which any part or parcel of  
 6 the real property is situated, a duly acknowledged request for a  
 7 copy of the notice of default and of sale. This request shall be  
 8 signed and acknowledged by the person making the request,  
 9 specifying the name and address of the person to whom the notice  
 10 is to be mailed, shall identify the deed of trust or mortgage by  
 11 stating the names of the parties thereto, the date of recordation  
 12 thereof, and the book and page where the deed of trust or mortgage  
 13 is recorded or the recorder’s number, and shall be in substantially  
 14 the following form:

15  
 16 “In accordance with Section 2924b, Civil Code, request is hereby  
 17 made that a copy of any notice of default and a copy of any notice of sale  
 18 under the deed of trust (or mortgage) recorded \_\_\_\_\_, \_\_\_\_\_, in Book  
 19 \_\_\_\_\_ page \_\_\_\_\_ records of \_\_\_\_\_ County, (or filed for record with  
 20 recorder’s serial number \_\_\_\_\_, \_\_\_\_\_ County) California, executed  
 21 by \_\_\_\_\_ as trustor (or mortgagor) in which \_\_\_\_\_ is named as  
 22 beneficiary (or mortgagee) and \_\_\_\_\_ as trustee be mailed to  
 23 \_\_\_\_\_ at \_\_\_\_\_.  
 24 Name Address

25 NOTICE: A copy of any notice of default and of any notice of sale will be  
 26 sent only to the address contained in this recorded request. If your address  
 27 changes, a new request must be recorded.  
 28 Signature \_\_\_\_\_”  
 29

30 Upon the filing for record of the request, the recorder shall index  
 31 in the general index of grantors the names of the trustors (or  
 32 mortgagors) recited therein and the names of persons requesting  
 33 copies.

34 (b) The mortgagee, trustee, or other person authorized to record  
 35 the notice of default or the notice of sale shall do each of the  
 36 following:

37 (1) Within 10 business days following recordation of the notice  
 38 of default, deposit or cause to be deposited in the United States  
 39 mail an envelope, sent by registered or certified mail with postage  
 40 prepaid, containing a copy of the notice with the recording date

1 shown thereon, addressed to each person whose name and address  
2 are set forth in a duly recorded request therefor, directed to the  
3 address designated in the request and to each trustor or mortgagor  
4 at his or her last known address if different than the address  
5 specified in the deed of trust or mortgage with power of sale.

6 (2) At least 20 days before the date of sale, deposit or cause to  
7 be deposited in the United States mail an envelope, sent by  
8 registered or certified mail with postage prepaid, containing a copy  
9 of the notice of the time and place of sale, addressed to each person  
10 whose name and address are set forth in a duly recorded request  
11 therefor, directed to the address designated in the request and to  
12 each trustor or mortgagor at his or her last known address if  
13 different than the address specified in the deed of trust or mortgage  
14 with power of sale.

15 (3) As used in paragraphs (1) and (2), the “last known address”  
16 of each trustor or mortgagor means the last business or residence  
17 physical address actually known by the mortgagee, beneficiary,  
18 trustee, or other person authorized to record the notice of default.  
19 For the purposes of this subdivision, an address is “actually known”  
20 if it is contained in the original deed of trust or mortgage, or in  
21 any subsequent written notification of a change of physical address  
22 from the trustor or mortgagor pursuant to the deed of trust or  
23 mortgage. For the purposes of this subdivision, “physical address”  
24 does not include an email or any form of electronic address for a  
25 trustor or mortgagor. The beneficiary shall inform the trustee of  
26 the trustor’s last address actually known by the beneficiary.  
27 However, the trustee shall incur no liability for failing to send any  
28 notice to the last address unless the trustee has actual knowledge  
29 of it.

30 (4) A “person authorized to record the notice of default or the  
31 notice of sale” shall include an agent for the mortgagee or  
32 beneficiary, an agent of the named trustee, any person designated  
33 in an executed substitution of trustee, or an agent of that substituted  
34 trustee.

35 (c) The mortgagee, trustee, or other person authorized to record  
36 the notice of default or the notice of sale shall do the following:

37 (1) Within one month following recordation of the notice of  
38 default, deposit or cause to be deposited in the United States mail  
39 an envelope, sent by registered or certified mail with postage  
40 prepaid, containing a copy of the notice with the recording date

1 shown thereon, addressed to each person set forth in paragraph  
2 (2), provided that the estate or interest of any person entitled to  
3 receive notice under this subdivision is acquired by an instrument  
4 sufficient to impart constructive notice of the estate or interest in  
5 the land or portion thereof that is subject to the deed of trust or  
6 mortgage being foreclosed, and provided the instrument is recorded  
7 in the office of the county recorder so as to impart that constructive  
8 notice prior to the recording date of the notice of default and  
9 provided the instrument as so recorded sets forth a mailing address  
10 that the county recorder shall use, as instructed within the  
11 instrument, for the return of the instrument after recording, and  
12 which address shall be the address used for the purposes of mailing  
13 notices herein.

14 (2) The persons to whom notice shall be mailed under this  
15 subdivision are:

16 (A) The successor in interest, as of the recording date of the  
17 notice of default, of the estate or interest or any portion thereof of  
18 the trustor or mortgagor of the deed of trust or mortgage being  
19 foreclosed.

20 (B) The beneficiary or mortgagee of any deed of trust or  
21 mortgage recorded subsequent to the deed of trust or mortgage  
22 being foreclosed, or recorded prior to or concurrently with the  
23 deed of trust or mortgage being foreclosed but subject to a recorded  
24 agreement or a recorded statement of subordination to the deed of  
25 trust or mortgage being foreclosed.

26 (C) The assignee of any interest of the beneficiary or mortgagee  
27 described in subparagraph (B), as of the recording date of the notice  
28 of default.

29 (D) The vendee of any contract of sale, or the lessee of any  
30 lease, of the estate or interest being foreclosed that is recorded  
31 subsequent to the deed of trust or mortgage being foreclosed, or  
32 recorded prior to or concurrently with the deed of trust or mortgage  
33 being foreclosed but subject to a recorded agreement or statement  
34 of subordination to the deed of trust or mortgage being foreclosed.

35 (E) The successor in interest to the vendee or lessee described  
36 in subparagraph (D), as of the recording date of the notice of  
37 default.

38 (F) The office of the Controller, Sacramento, California, where,  
39 as of the recording date of the notice of default, a “Notice of Lien

1 for Postponed Property Taxes” has been recorded against the real  
2 property to which the notice of default applies.

3 (3) At least 20 days before the date of sale, deposit or cause to  
4 be deposited in the United States mail an envelope, sent by  
5 registered or certified mail with postage prepaid, containing a copy  
6 of the notice of the time and place of sale addressed to each person  
7 to whom a copy of the notice of default is to be mailed as provided  
8 in paragraphs (1) and (2), and addressed to the office of any state  
9 taxing agency, Sacramento, California, that has recorded,  
10 subsequent to the deed of trust or mortgage being foreclosed, a  
11 notice of tax lien prior to the recording date of the notice of default  
12 against the real property to which the notice of default applies.

13 (4) Provide a copy of the notice of sale to the Internal Revenue  
14 Service, in accordance with Section 7425 of the Internal Revenue  
15 Code and any applicable federal regulation, if a “Notice of Federal  
16 Tax Lien under Internal Revenue Laws” has been recorded,  
17 subsequent to the deed of trust or mortgage being foreclosed,  
18 against the real property to which the notice of sale applies. The  
19 failure to provide the Internal Revenue Service with a copy of the  
20 notice of sale pursuant to this paragraph shall be sufficient cause  
21 to rescind the trustee’s sale and invalidate the trustee’s deed, at  
22 the option of either the successful bidder at the trustee’s sale or  
23 the trustee, and in either case with the consent of the beneficiary.  
24 Any option to rescind the trustee’s sale pursuant to this paragraph  
25 shall be exercised prior to any transfer of the property by the  
26 successful bidder to a bona fide purchaser for value. A rescission  
27 of the trustee’s sale pursuant to this paragraph may be recorded in  
28 a notice of rescission pursuant to Section 1058.5.

29 (5) The mailing of notices in the manner set forth in paragraph  
30 (1) shall not impose upon any licensed attorney, agent, or employee  
31 of any person entitled to receive notices as herein set forth any  
32 duty to communicate the notice to the entitled person from the fact  
33 that the mailing address used by the county recorder is the address  
34 of the attorney, agent, or employee.

35 (d) Any deed of trust or mortgage with power of sale hereafter  
36 executed upon real property or an estate for years therein may  
37 contain a request that a copy of any notice of default and a copy  
38 of any notice of sale thereunder shall be mailed to any person or  
39 party thereto at the address of the person given therein, and a copy  
40 of any notice of default and of any notice of sale shall be mailed

1 to each of these at the same time and in the same manner required  
2 as though a separate request therefor had been filed by each of  
3 these persons as herein authorized. If any deed of trust or mortgage  
4 with power of sale executed after September 19, 1939, except a  
5 deed of trust or mortgage of any of the classes excepted from the  
6 provisions of Section 2924, does not contain a mailing address of  
7 the trustor or mortgagor therein named, and if no request for special  
8 notice by the trustor or mortgagor in substantially the form set  
9 forth in this section has subsequently been recorded, a copy of the  
10 notice of default shall be published once a week for at least four  
11 weeks in a newspaper of general circulation in the county in which  
12 the property is situated, the publication to commence within 10  
13 business days after the filing of the notice of default. In lieu of  
14 publication, a copy of the notice of default may be delivered  
15 personally to the trustor or mortgagor within the 10 business days  
16 or at any time before publication is completed, or by posting the  
17 notice of default in a conspicuous place on the property and mailing  
18 the notice to the last known address of the trustor or mortgagor.

19 (e) Any person required to mail a copy of a notice of default or  
20 notice of sale to each trustor or mortgagor pursuant to subdivision  
21 (b) or (c) by registered or certified mail shall simultaneously cause  
22 to be deposited in the United States mail, with postage prepaid and  
23 mailed by first-class mail, an envelope containing an additional  
24 copy of the required notice addressed to each trustor or mortgagor  
25 at the same address to which the notice is sent by registered or  
26 certified mail pursuant to subdivision (b) or (c). The person shall  
27 execute and retain an affidavit identifying the notice mailed,  
28 showing the name and residence or business address of that person,  
29 that he or she is over 18 years of age, the date of deposit in the  
30 mail, the name and address of the trustor or mortgagor to whom  
31 sent, and that the envelope was sealed and deposited in the mail  
32 with postage fully prepaid. In the absence of fraud, the affidavit  
33 required by this subdivision shall establish a conclusive  
34 presumption of mailing.

35 (f) (1) Notwithstanding subdivision (a), with respect to separate  
36 interests governed by an association, as defined in Section 4080  
37 or 6528, the association may cause to be filed in the office of the  
38 recorder in the county in which the separate interests are situated  
39 a request that a mortgagee, trustee, or other person authorized to  
40 record a notice of default regarding any of those separate interests

1 mail to the association a copy of any trustee's deed upon sale  
2 concerning a separate interest. The request shall include a legal  
3 description or the assessor's parcel number of all the separate  
4 interests. A request recorded pursuant to this subdivision shall  
5 include the name and address of the association and a statement  
6 that it is an association as defined in Section 4080 or 4628.  
7 Subsequent requests of an association shall supersede prior  
8 requests. A request pursuant to this subdivision shall be recorded  
9 before the filing of a notice of default. The mortgagee, trustee, or  
10 other authorized person shall mail the requested information to  
11 the association within 15 business days following the date of the  
12 trustee's sale. Failure to mail the request, pursuant to this  
13 subdivision, shall not affect the title to real property.

14 (2) A request filed pursuant to paragraph (1) does not, for  
15 purposes of Section 27288.1 of the Government Code, constitute  
16 a document that either effects or evidences a transfer or  
17 encumbrance of an interest in real property or that releases or  
18 terminates any interest, right, or encumbrance of an interest in real  
19 property.

20 (g) No request for a copy of any notice filed for record pursuant  
21 to this section, no statement or allegation in the request, and no  
22 record thereof shall affect the title to real property or be deemed  
23 notice to any person that any person requesting copies of notice  
24 has or claims any right, title, or interest in, or lien or charge upon  
25 the property described in the deed of trust or mortgage referred to  
26 therein.

27 (h) "Business day," as used in this section, has the meaning  
28 specified in Section 9.

29 SEC. 7. Section 4005 of the Civil Code is amended to read:

30 4005. Division, part, title, chapter, article, and section headings  
31 do not in any manner affect the scope, meaning, or intent of this  
32 act.

33 SEC. 8. Section 4035 of the Civil Code is amended to read:

34 4035. (a) If a provision of this act requires that a document be  
35 delivered to an association, the document shall be delivered to the  
36 person designated in the annual policy statement, prepared pursuant  
37 to Section 5310, to receive documents on behalf of the association.  
38 If no person has been designated to receive documents, the  
39 document shall be delivered to the president or secretary of the  
40 association.

1 (b) A document delivered pursuant to this section may be  
2 delivered by any of the following methods:

3 (1) By email, facsimile, or other electronic means, if the  
4 association has assented to that method of delivery.

5 (2) By personal delivery, if the association has assented to that  
6 method of delivery. If the association accepts a document by  
7 personal delivery it shall provide a written receipt acknowledging  
8 delivery of the document.

9 (3) By first-class mail, postage prepaid, registered or certified  
10 mail, express mail, or overnight delivery by an express service  
11 center.

12 SEC. 9. Section 4070 of the Civil Code is amended to read:

13 4070. If a provision of this act requires that an action be  
14 approved by a majority of a quorum of the members, the action  
15 shall be approved or ratified by an affirmative vote of a majority  
16 of the votes represented and voting in a duly held election in which  
17 a quorum is represented, which affirmative votes also constitute  
18 a majority of the required quorum.

19 SEC. 10. Section 4090 of the Civil Code is amended to read:

20 4090. “Board meeting” means either of the following:

21 (a) A congregation, at the same time and place, of a sufficient  
22 number of directors to establish a quorum of the board, to hear,  
23 discuss, or deliberate upon any item of business that is within the  
24 authority of the board.

25 (b) A teleconference, where a sufficient number of directors to  
26 establish a quorum of the board, in different locations, are  
27 connected by electronic means, through audio or video, or both.  
28 A teleconference meeting shall be conducted in a manner that  
29 protects the rights of members of the association and otherwise  
30 complies with the requirements of this act. Except for a meeting  
31 that will be held solely in executive session, the notice of the  
32 teleconference meeting shall identify at least one physical location  
33 so that members of the association may attend, and at least one  
34 director or a person designated by the board shall be present at  
35 that location. Participation by directors in a teleconference meeting  
36 constitutes presence at that meeting as long as all directors  
37 participating are able to hear one another, as well as members of  
38 the association speaking on matters before the board.

39 SEC. 11. Section 4205 of the Civil Code is amended to read:

1 4205. (a) To the extent of any conflict between the governing  
2 documents and the law, the law shall prevail.

3 (b) To the extent of any conflict between the articles of  
4 incorporation and the declaration, the declaration shall prevail.

5 (c) To the extent of any conflict between the bylaws and the  
6 articles of incorporation or declaration, the articles of incorporation  
7 or declaration shall prevail.

8 (d) To the extent of any conflict between the operating rules  
9 and the bylaws, articles of incorporation, or declaration, the bylaws,  
10 articles of incorporation, or declaration shall prevail.

11 SEC. 12. Section 4290 of the Civil Code is amended to read:

12 4290. (a) The certificate consenting to the recordation of a  
13 condominium plan that is required by subdivision (c) of Section  
14 4285 shall be signed and acknowledged by all of the following  
15 persons:

16 (1) The record owner of fee title to that property included in the  
17 condominium project.

18 (2) In the case of a condominium project that will terminate  
19 upon the termination of an estate for years, by all lessors and  
20 lessees of the estate for years.

21 (3) In the case of a condominium project subject to a life estate,  
22 by all life tenants and remainder interests.

23 (4) The trustee or the beneficiary of each recorded deed of trust,  
24 and the mortgagee of each recorded mortgage encumbering the  
25 property.

26 (b) Owners of mineral rights, easements, rights-of-way, and  
27 other nonpossessory interests do not need to sign the certificate.

28 (c) In the event a conversion to condominiums of a community  
29 apartment project or stock cooperative has been approved by the  
30 required number of owners, trustees, beneficiaries, and mortgagees  
31 pursuant to Section 66452.10 of the Government Code, the  
32 certificate need only be signed by those owners, trustees,  
33 beneficiaries, and mortgagees approving the conversion.

34 SEC. 13. Section 4350 of the Civil Code is amended to read:

35 4350. An operating rule is valid and enforceable only if all of  
36 the following requirements are satisfied:

37 (a) The rule is in writing.

38 (b) The rule is within the authority of the board conferred by  
39 law or by the declaration, articles of incorporation or association,  
40 or bylaws of the association.

1 (c) The rule is not in conflict with governing law and the  
2 declaration, articles of incorporation or association, or bylaws of  
3 the association.

4 (d) The rule is adopted, amended, or repealed in good faith and  
5 in substantial compliance with the requirements of this article.

6 (e) The rule is reasonable.

7 SEC. 14. Section 4525 of the Civil Code is amended to read:

8 4525. (a) The owner of a separate interest shall provide the  
9 following documents to a prospective purchaser of the separate  
10 interest, as soon as practicable before the transfer of title or the  
11 execution of a real property sales contract, as defined in Section  
12 2985:

13 (1) A copy of all governing documents. If the association is not  
14 incorporated, this shall include a statement in writing from an  
15 authorized representative of the association that the association is  
16 not incorporated.

17 (2) If there is a restriction in the governing documents limiting  
18 the occupancy, residency, or use of a separate interest on the basis  
19 of age in a manner different from that provided in Section 51.3, a  
20 statement that the restriction is only enforceable to the extent  
21 permitted by Section 51.3 and a statement specifying the applicable  
22 provisions of Section 51.3.

23 (3) A copy of the most recent documents distributed pursuant  
24 to Article 7 (commencing with Section 5300) of Chapter 6.

25 (4) A true statement in writing obtained from an authorized  
26 representative of the association as to the amount of the  
27 association's current regular and special assessments and fees, any  
28 assessments levied upon the owner's interest in the common  
29 interest development that are unpaid on the date of the statement,  
30 and any monetary fines or penalties levied upon the owner's  
31 interest and unpaid on the date of the statement. The statement  
32 obtained from an authorized representative shall also include true  
33 information on late charges, interest, and costs of collection which,  
34 as of the date of the statement, are or may be made a lien upon the  
35 owner's interest in a common interest development pursuant to  
36 Article 2 (commencing with Section 5650) of Chapter 8.

37 (5) A copy or a summary of any notice previously sent to the  
38 owner pursuant to Section 5855 that sets forth any alleged violation  
39 of the governing documents that remains unresolved at the time  
40 of the request. The notice shall not be deemed a waiver of the

1 association’s right to enforce the governing documents against the  
2 owner or the prospective purchaser of the separate interest with  
3 respect to any violation. This paragraph shall not be construed to  
4 require an association to inspect an owner’s separate interest.

5 (6) A copy of the initial list of defects provided to each member  
6 pursuant to Section 6000, unless the association and the builder  
7 subsequently enter into a settlement agreement or otherwise resolve  
8 the matter and the association complies with Section 6100.  
9 Disclosure of the initial list of defects pursuant to this paragraph  
10 does not waive any privilege attached to the document. The initial  
11 list of defects shall also include a statement that a final  
12 determination as to whether the list of defects is accurate and  
13 complete has not been made.

14 (7) A copy of the latest information provided for in Section  
15 6100.

16 (8) Any change in the association’s current regular and special  
17 assessments and fees which have been approved by the board, but  
18 have not become due and payable as of the date disclosure is  
19 provided pursuant to this subdivision.

20 (9) If there is a provision in the governing documents that  
21 prohibits the rental or leasing of any of the separate interests in  
22 the common interest development to a renter, lessee, or tenant, a  
23 statement describing the prohibition.

24 (10) If requested by the prospective purchaser, a copy of the  
25 minutes of board meetings, excluding meetings held in executive  
26 session, conducted over the previous 12 months, that were  
27 approved by the board.

28 (b) This section does not apply to an owner that is subject to  
29 Section 11018.6 of the Business and Professions Code.

30 SEC. 15. Section 4528 of the Civil Code is amended to read:  
31 4528. The form for billing disclosures required by Section  
32 4530 shall be in at least 10-point type and substantially the  
33 following form:

34  
35 CHARGES FOR DOCUMENTS PROVIDED AS REQUIRED BY SECTION  
36 4525\*

37  
38  
39 Property Address  
40

1 Owner of Property

2

3 Owner’s Mailing Address (If known or different from property address.)

4

5

6 Provider of the Section 4525 Items:

7

8

9

10 Print Name \_\_\_\_\_ Position or Title \_\_\_\_\_ Association or Agent

11

12 Date Form Completed

13

14 Check or Complete Applicable Column or Columns Below

15

16 Document Civil Code Section Not Available

17 Included (N/A) or Not

18 Applicable

19 (N/App)

20

21 Articles of Incorporation or Section 4525(a)(1)  
22 statement that not incorporated

23

24 CC&Rs Section 4525(a)(1)

25

26 Bylaws Section 4525(a)(1)

27

28 Operating Rules Section 4525(a)(1)

29

30 Age restrictions, if any Section 4525(a)(2)

31 Rental restrictions, if any Section 4525(a)(9)

32 Annual budget report or summary, Sections 5300 and  
33 including reserve study 4525(a)(3)

34

35 Assessment and reserve funding Sections 5300 and  
36 disclosure summary 4525(a)(4)

37

38 Financial statement review Sections 5305 and  
39 4525(a)(3)

40

1	Assessment enforcement policy	Sections 5310 and
2		4525(a)(4)
3		
4	Insurance summary	Sections 5300 and
5		4525(a)(3)
6		
7	Regular assessment	Section 4525(a)(4)
8		
9	Special assessment	Section 4525(a)(4)
10		
11	Emergency assessment	Section 4525(a)(4)
12		
13	Other unpaid obligations of seller	Sections 5675 and
14		4525(a)(4)
15		
16	Approved changes to assessments	Sections 5300 and
17		4525(a)(4), (8)
18		
19	Settlement notice regarding	Sections 4525(a)(6),
20	common area defects	(7), and 6100
21		
22	Preliminary list of defects	Sections 4525(a)(6),
23		6000, and 6100
24		
25	Notice(s) of violation	Sections 5855 and
26		4525(a)(5)
27		
28	Required statement of fees	Section 4525
29		
30	Minutes of regular board meetings	Section 4525(a)(10)
31	conducted over the previous 12	
32	months, if requested	
33		
34	Total fees for these documents:	
35		

36 \* The information provided by this form may not include all fees that may be  
 37 imposed before the close of escrow. Additional fees that are not related to the  
 38 requirements of Section 4525 may be charged separately.

39  
 40 SEC. 16. Section 4530 of the Civil Code is amended to read:

1 4530. (a) (1) Upon written request, the association shall,  
2 within 10 days of the mailing or delivery of the request, provide  
3 the owner of a separate interest, or any other recipient authorized  
4 by the owner, with a copy of the requested documents specified  
5 in Section 4525.

6 (2) The documents required to be made available pursuant to  
7 this section may be maintained in electronic form, and may be  
8 posted on the association's Internet Web site. Requesting parties  
9 shall have the option of receiving the documents by electronic  
10 transmission if the association maintains the documents in  
11 electronic form.

12 (3) Delivery of the documents required by this section shall not  
13 be withheld for any reason nor subject to any condition except the  
14 payment of the fee authorized pursuant to subdivision (b).

15 (b) (1) The association may collect a reasonable fee based upon  
16 the association's actual cost for the procurement, preparation,  
17 reproduction, and delivery of the documents requested pursuant  
18 to this section. Additional fees shall not be charged by the  
19 association for the electronic delivery of the documents requested.

20 (2) Upon receipt of a written request, the association shall  
21 provide, on the form described in Section 4528, a written or  
22 electronic estimate of the fees that will be assessed for providing  
23 the requested documents.

24 (3) (A) A cancellation fee for documents specified in  
25 subdivision (a) shall not be collected if either of the following  
26 applies:

27 (i) The request was canceled in writing by the same party that  
28 placed the order and work had not yet been performed on the order.

29 (ii) The request was canceled in writing and any work that had  
30 been performed on the order was compensated.

31 (B) The association shall refund all fees collected pursuant to  
32 paragraph (1) if the request was canceled in writing and work had  
33 not yet been performed on the order.

34 (C) If the request was canceled in writing, the association shall  
35 refund the share of fees collected pursuant to paragraph (1) that  
36 represents the portion of the work not performed on the order.

37 (4) Fees for any documents required by this section shall be  
38 distinguished from other fees, fines, or assessments billed as part  
39 of the transfer or sales transaction.

1 (c) An association may contract with any person or entity to  
2 facilitate compliance with this section on behalf of the association.

3 (d) The association shall also provide a recipient authorized by  
4 the owner of a separate interest with a copy of the completed form  
5 specified in Section 4528 at the time the required documents are  
6 delivered.

7 SEC. 17. Section 4920 of the Civil Code is amended to read:

8 4920. (a) Except as provided in subdivision (b), the association  
9 shall give notice of the time and place of a board meeting at least  
10 four days before the meeting.

11 (b) (1) If a board meeting is an emergency meeting held  
12 pursuant to Section 4923, the association is not required to give  
13 notice of the time and place of the meeting.

14 (2) If a nonemergency board meeting is held solely in executive  
15 session, the association shall give notice of the time and place of  
16 the meeting at least two days prior to the meeting.

17 (3) If the association's governing documents require a longer  
18 period of notice than is required by this section, the association  
19 shall comply with the period stated in its governing documents,  
20 ~~except for a notice of an emergency meeting or a meeting held~~  
21 ~~solely in executive session when the governing documents do not~~  
22 ~~specifically provide a period of notice for these meetings~~  
23 *documents. For the purposes of this paragraph, a governing*  
24 *document provision does not apply to a notice of an emergency*  
25 *meeting or a meeting held solely in executive session unless it*  
26 *specifically states that it applies to those types of meetings.*

27 (c) Notice of a board meeting shall be given by general delivery  
28 pursuant to Section 4045.

29 (d) Notice of a board meeting shall contain the agenda for the  
30 meeting.

31 SEC. 18. Section 12191 of the Government Code is amended  
32 to read:

33 12191. The miscellaneous business entity filing fees are the  
34 following:

35 (a) Foreign Associations, as defined in Sections 170 and 171  
36 of the Corporations Code:

37 (1) Filing the statement and designation upon the qualification  
38 of a foreign association pursuant to Section 2105 of the  
39 Corporations Code: One hundred dollars (\$100).

1 (2) Filing an amended statement and designation by a foreign  
2 association pursuant to Section 2107 of the Corporations Code:  
3 Thirty dollars (\$30).

4 (3) Filing a certificate showing the surrender of the right of a  
5 foreign association to transact intrastate business pursuant to  
6 Section 2112 of the Corporations Code: No fee.

7 (b) Unincorporated Associations:

8 (1) Filing a statement in accordance with Section 18200 of the  
9 Corporations Code as to principal place of office or place for  
10 sending notices or designating agent for service: Twenty-five  
11 dollars (\$25).

12 (2) Insignia Registrations: Ten dollars (\$10).

13 (c) Community Associations and Common Interest  
14 Developments:

15 (1) Filing a statement by a community association in accordance  
16 with Section 5405 of the Civil Code to register the common interest  
17 development that it manages: An amount not to exceed thirty  
18 dollars (\$30).

19 (2) Filing an amended statement by a community association  
20 in accordance with Section 5405 of the Civil Code: No fee.

21 SEC. 19. Section 65582 of the Government Code is amended  
22 to read:

23 65582. As used in this article, the following definitions apply:

24 (a) “Community,” “locality,” “local government,” or  
25 “jurisdiction” means a city, city and county, or county.

26 (b) “Council of governments” means a single or multicounty  
27 council created by a joint powers agreement pursuant to Chapter  
28 5 (commencing with Section 6500) of Division 1 of Title 1.

29 (c) “Department” means the Department of Housing and  
30 Community Development.

31 (d) “Emergency shelter” has the same meaning as defined in  
32 subdivision (e) of Section 50801 of the Health and Safety Code.

33 (e) “Housing element” or “element” means the housing element  
34 of the community’s general plan, as required pursuant to this article  
35 and subdivision (c) of Section 65302.

36 (f) “Supportive housing” means housing with no limit on length  
37 of stay, that is occupied by the target population, and that is linked  
38 to an onsite or offsite service that assists the supportive housing  
39 resident in retaining the housing, improving his or her health status,

1 and maximizing his or her ability to live and, when possible, work  
2 in the community.

3 (g) “Target population” means persons with low incomes who  
4 have one or more disabilities, including mental illness, HIV or  
5 AIDS, substance abuse, or other chronic health condition, or  
6 individuals eligible for services provided pursuant to the Lanterman  
7 Developmental Disabilities Services Act (Division 4.5  
8 (commencing with Section 4500) of the Welfare and Institutions  
9 Code) and may include, among other populations, adults,  
10 emancipated minors, families with children, elderly persons, young  
11 adults aging out of the foster care system, individuals exiting from  
12 institutional settings, veterans, and homeless people.

13 (h) “Transitional housing” means buildings configured as rental  
14 housing developments, but operated under program requirements  
15 that require the termination of assistance and recirculating of the  
16 assisted unit to another eligible program recipient at a  
17 predetermined future point in time that shall be no less than six  
18 months from the beginning of the assistance.

19 SEC. 20. Section 65585.2 of the Government Code is repealed.

20 SEC. 21. Section 13114 of the Health and Safety Code is  
21 amended to read:

22 13114. (a) The State Fire Marshal, with the advice of the State  
23 Board of Fire Services, shall adopt regulations and standards as  
24 he or she may determine to be necessary to control the quality and  
25 installation of fire alarm systems and fire alarm devices marketed,  
26 distributed, offered for sale, or sold in this state.

27 (b) (1) No person shall market, distribute, offer for sale, or sell  
28 any fire alarm system or fire alarm device in this state unless the  
29 system or device has been approved and listed by the State Fire  
30 Marshal.

31 (2) (A) Except as provided in subparagraph (B), commencing  
32 July 1, 2014, in order to be approved and listed by the State Fire  
33 Marshal, a smoke alarm that is only operated by a battery shall  
34 contain a nonreplaceable, nonremovable battery that is capable of  
35 powering the smoke alarm for at least 10 years.

36 (B) This paragraph shall not apply to smoke alarms that have  
37 been ordered by, or are in the inventory of, an owner, managing  
38 agent, contractor, wholesaler, or retailer on or before July 1, 2014,  
39 until July 1, 2015.

1 (3) Commencing January 1, 2015, in order to be approved and  
2 listed by the State Fire Marshal, a smoke alarm shall display the  
3 date of manufacture on the device, provide a place on the device  
4 where the date of installation can be written, and incorporate a  
5 hush feature.

6 (4) The State Fire Marshal shall have the authority to create  
7 exceptions to paragraphs (2) and (3) through its regulatory process.  
8 The exceptions that may be considered as part of the regulatory  
9 process shall include, but are not limited to, fire alarm systems  
10 with smoke detectors, fire alarm devices that connect to a panel,  
11 or other devices that use a low-power radio frequency wireless  
12 communication signal.

13 (5) The State Fire Marshal shall approve the manufacturer's  
14 instructions for each smoke alarm and shall ensure that the  
15 instructions are consistent with current building standard  
16 requirements for the location and placement of smoke alarms.

17 SEC. 22. Section 50675.14 of the Health and Safety Code is  
18 amended to read:

19 50675.14. (a) This section shall apply only to projects funded  
20 with funds appropriated for supportive housing projects.

21 (b) For purposes of this section the following terms have the  
22 following meanings:

23 (1) "May restrict occupancy to persons with veteran status"  
24 means that the sponsor may limit occupancy to persons meeting  
25 the criteria of paragraphs (1) and (2) of subdivision (j) with respect  
26 to either of the following:

27 (A) Any unit in the development that has not been previously  
28 occupied.

29 (B) Any unit in the development that subsequently becomes  
30 vacant, for a period of not more than 120 days following the  
31 vacancy.

32 (2) "Supportive housing" means housing with no limit on length  
33 of stay, that is occupied by the target population, and that is linked  
34 to onsite or offsite services that assist the supportive housing  
35 resident in retaining the housing, improving his or her health status,  
36 and maximizing his or her ability to live and, when possible, work  
37 in the community.

38 (3) (A) "Target population" means persons, including persons  
39 with disabilities, and families who are "homeless," as that term is  
40 defined by Section 11302 of Title 42 of the United States Code,

1 or who are “homeless youth,” as that term is defined by paragraph  
2 (2) of subdivision (e) of Section 11139.3 of the Government Code.

3 (B) Individuals and families currently residing in supportive  
4 housing meet the definition of “target population” if the individual  
5 or family was “homeless,” as that term is defined by Section 11302  
6 of Title 42 of the United States Code, when approved for tenancy  
7 in the supportive housing project in which they currently reside.

8 (c) (1) The department shall ensure that at least 40 percent of  
9 the units in each development funded under the supportive housing  
10 program are targeted to one or more of the following populations:

11 (A) Individuals or families experiencing “chronic  
12 homelessness,” as defined by the United States Department of  
13 Housing and Urban Development’s Super Notice of Funding  
14 Availability for Continuum of Care or Collaborative Applicant  
15 Program.

16 (B) “Homeless youth,” as that term is defined by paragraph (2)  
17 of subdivision (e) of Section 11139.3 of the Government Code.

18 (C) Individuals exiting institutional settings, including, but not  
19 limited to, jails, hospitals, prisons, and institutes of mental disease,  
20 who were homeless when entering the institutional setting, who  
21 have a disability, and who resided in that setting for a period of  
22 not less than 15 days.

23 (2) The department may decrease the number of units required  
24 to meet the criteria identified in paragraph (1) if the department  
25 determines that the program is undersubscribed after issuing at  
26 least one Notice of Funding Availability.

27 (3) Individuals and families currently residing in supportive  
28 housing meet the qualifications under this subdivision if the  
29 individual or family met any of the criteria specified in  
30 subparagraph (A), (B), or (C) of paragraph (1) when approved for  
31 tenancy in the supportive housing project in which they currently  
32 reside.

33 (d) Supportive housing projects shall provide or demonstrate  
34 collaboration with programs that provide services that meet the  
35 needs of the supportive housing residents.

36 (e) The criteria, established by the department, for selecting  
37 supportive housing projects shall give priority to supportive  
38 housing projects that include a focus on measurable outcomes and  
39 a plan for evaluation, which evaluation shall be submitted by the  
40 borrowers, annually, to the department.

1 (f) The department may provide higher per-unit loan limits as  
2 reasonably necessary to provide and maintain rents that are  
3 affordable to the target population.

4 (g) In an evaluation or ranking of a borrower's development  
5 and ownership experience, the department shall consider experience  
6 acquired in the prior 10 years.

7 (h) (1) A borrower shall, beginning the second year after  
8 supportive housing project occupancy, include the following data  
9 in his or her annual report to the department. However, a borrower  
10 who submits an annual evaluation pursuant to subdivision (c) may,  
11 instead, include this information in the evaluation:

12 (A) The length of occupancy by each supportive housing  
13 resident for the period covered by the report and, if the resident  
14 has moved, the reason for the move and the type of housing to  
15 which the resident moved, if known.

16 (B) Changes in each supportive housing resident's employment  
17 status during the previous year.

18 (C) Changes in each supportive housing resident's source and  
19 amount of income during the previous year.

20 (D) The tenant's housing status prior to occupancy, including  
21 the term of the tenant's homelessness.

22 (2) The department shall include aggregate data with respect to  
23 the supportive housing projects described in this section in the  
24 report that it submits to the Legislature pursuant to Section  
25 50675.12.

26 (i) The department shall consider, commencing in the second  
27 year of the funding, the feasibility and appropriateness of  
28 modifying its regulations to increase the use of funds by small  
29 projects. In doing this, the department shall consider its operational  
30 needs and prior history of funding supportive housing facilities.

31 (j) Notwithstanding any other provision of law, the sponsor of  
32 a supportive housing development may restrict occupancy to  
33 persons with veteran status if all the following conditions apply:

34 (1) The veterans possess significant barriers to social  
35 reintegration and employment that require specialized treatment  
36 and services that are due to a physical or mental disability,  
37 substance abuse, or the effects of long-term homelessness.

38 (2) The veterans are otherwise eligible to reside in an assisted  
39 unit.

1 (3) The sponsor also provides, or assists in providing, the  
2 specialized treatment and services.

3 SEC. 23. Section 6.5 of this bill incorporates amendments to  
4 Section 2924b of the Civil Code proposed by both this bill and  
5 Senate Bill 752. It shall only become operative if (1) both bills are  
6 enacted and become effective on or before January 1, 2014, (2)  
7 each bill amends Section 2924b of the Civil Code, and (3) this bill  
8 is enacted after Senate Bill 752, in which case Section 6 of this  
9 bill shall not become operative.

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