

AMENDED IN SENATE JUNE 23, 2015

AMENDED IN ASSEMBLY APRIL 30, 2015

AMENDED IN ASSEMBLY MARCH 26, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 587

Introduced by Assembly Member Chau

February 24, 2015

An act to amend Sections 798.15 and 798.74 of, and to add Section 798.58.5 to, the Civil Code, to amend Sections 18092.7, 18116.1, and 18550 18100.5, and 18550 of the Health and Safety Code, and to amend Section 5832 of the Revenue and Taxation Code, relating to mobilehomes.

LEGISLATIVE COUNSEL'S DIGEST

AB 587, as amended, Chau. Mobilehomes: payments: nonpayment or late payments.

(1) Existing law subjects manufactured homes or mobilehomes sold as new prior to July 1, 1980, to a vehicle license fee and requires annual payment of the fee. Existing law provides that nonpayment of certain fees and penalties, including the vehicle license fee, constitutes a lien on the manufactured home or mobilehome, and prohibits the Department of Housing and Community Development from, among other things, issuing a duplicate or new certificate of title or registration card or amending the permanent title record of the manufactured home or mobilehome that is subject of that lien.

This bill, when a person who is not currently the registered owner of a manufactured home or mobilehome applies to the department for registration or transfer of registration of the manufactured home or

mobilehome prior to December 31, 2018, and meets other specified requirements, would require the department to waive all outstanding charges assessed by the department prior to the transfer of title of the manufactured home or mobilehome, release any lien imposed with respect to those charges, issue a duplicate or new certificate of title or registration card, and amend the title record of the manufactured home or mobilehome. *This bill would require a registered owner to apply to the department for a transfer clearance certificate, as specified, prior to transferring any ownership interest or transferring or creating any security interest in the manufactured home or mobilehome. This bill would require the department, upon notification of any transfer of any ownership interest or transferring or creating any security interest in a manufactured home or mobilehome, to notify the transferee of the obligation to title and register the home and the procedure for titling and registration, and would require the department to notify the park management if the transferee fails to comply with the titling and registration requirements.*

This bill would require the transferor or the owner of the mobilehome park, as applicable, whenever any title or interest in a manufactured home, mobilehome, commercial coach, truck camper, or floating home, or, whenever any title or interest of a registered owner of a manufactured home or mobilehome located within a mobilehome park, is transferred to another person or entity, to notify the department, as specified, and would authorize the department to prescribe a form for this purpose.

(2) Existing law provides that mobilehomes and manufactured homes not subject to the vehicle license fee are subject to local property taxation, and requires the department to withhold the registration or transfer of registration of any manufactured home or mobilehome subject to local property taxation until the applicant for registration presents a tax clearance certificate or conditional tax clearance certificate issued by the tax collector of the county where the manufactured home or mobilehome is located. Existing law requires the county tax collector to issue a tax clearance certificate or conditional tax clearance certificate if specified requirements are met.

The California Constitution authorizes the Legislature to exempt personal property from taxation by means of a statute approved by a $\frac{2}{3}$ vote of the membership of each house.

This bill, when a person who is not currently the registered owner of a manufactured home or mobilehome subject to local property taxation

applies to the department for registration or transfer of registration of the manufactured home or mobilehome prior to December 31, 2018, and meets other specified requirements, would require the department to issue a conditional transfer of title. The bill would require a county tax collector to issue a tax liability certificate to a person with a conditional transfer of title who applies for the certificate prior to January 1, 2019, and pays the taxes 2019. Pursuant to the constitutional authorization described above, this bill would require the payment of only a portion of the taxes, as specified, reasonably owed from the date of sale of the manufactured home or mobilehome. By increasing the duties of county tax collectors, this bill would impose a state-mandated local program.

(3) *The Mobilehome Residency Law governs the terms and conditions of residency in mobilehome parks and prescribes the content of a rental agreement for a tenancy.*

This bill would require a rental agreement to contain a provision stating that, prior to transferring any ownership interest in the mobilehome or manufactured home, the management may require proof of registration as owner and a copy of a transfer clearance certificate issued by the Department of Housing and Community Development.

(3)

(4) Existing law authorizes the management of a mobilehome park to terminate a tenancy for, among other things, failure of the homeowner or resident to comply with a local ordinance or state law or regulation relating to mobilehomes within a reasonable time after the homeowner receives a notice of noncompliance from the appropriate governmental agency. Under existing law, it is unlawful for any person to use or cause, or permit to be used for occupancy, any manufactured home or mobilehome that does not conform to the registration requirements of the department.

This bill would prohibit eviction from a mobilehome park for nonconformance with the registration and titling requirements of state law prior to January 1, 2017, or when an application to transfer title of a manufactured home or mobilehome pursuant to the above-described provisions is filed prior to January 1, 2019, and completed within one year of the filing date. The bill would provide that it is not unlawful under these conditions for a park owner to permit an applicant to transfer title who is not in compliance with the registration requirements of the department to occupy a manufactured home or mobilehome. The bill would also make related and conforming changes.

(5) Existing law authorizes the management of a mobilehome park to require prior approval of a purchaser of a mobilehome that will remain in the park.

This bill would also authorize the management to require proof of registration as owner and a copy of a transfer clearance certificate issued by the Department of Housing and Community Development. This bill would require management to notify the Department of Housing and Community Development of the sale of a home by forwarding specified information to the department if management approves for residency a prospective homeowner who is purchasing a home that will remain in the park and enters into a lease agreement with the prospective homeowner.

~~(4)~~

(6) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

~~(5)~~

(7) Section 2229 of the Revenue and Taxation Code requires the Legislature to reimburse local agencies annually for certain property tax revenues lost as a result of any exemption or classification of property for purposes of ad valorem property taxation.

This bill would provide that, notwithstanding Section 2229 of the Revenue and Taxation Code, no appropriation is made and the state shall not reimburse local agencies for property tax revenues lost by them pursuant to the bill.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.
 State-mandated local program: yes.

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. 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 (a) The term of the tenancy and the rent therefor.

1 (b) The rules and regulations of the park.

2 (c) A copy of the text of this chapter shall be provided as an
3 exhibit and shall be incorporated into the rental agreement by
4 reference. Management shall do one of the following prior to
5 February 1 of each year, if a significant change was made in this
6 chapter by legislation enacted in the prior year:

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

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

13 (d) A provision specifying that (1) it is the responsibility of the
14 management to provide and maintain physical improvements in
15 the common facilities in good working order and condition and
16 (2) with respect to a sudden or unforeseeable breakdown or
17 deterioration of these improvements, the management shall have
18 a reasonable period of time to repair the sudden or unforeseeable
19 breakdown or deterioration and bring the improvements into good
20 working order and condition after management knows or should
21 have known of the breakdown or deterioration. For purposes of
22 this subdivision, a reasonable period of time to repair a sudden or
23 unforeseeable breakdown or deterioration shall be as soon as
24 possible in situations affecting a health or safety condition, and
25 shall not exceed 30 days in any other case except where exigent
26 circumstances justify a delay.

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

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

33 (g) A provision stating that management may charge a
34 reasonable fee for services relating to the maintenance of the land
35 and premises upon which a mobilehome is situated in the event
36 the homeowner fails to maintain the land or premises in accordance
37 with the rules and regulations of the park after written notification
38 to the homeowner and the failure of the homeowner to comply
39 within 14 days. The written notice shall state the specific condition
40 to be corrected and an estimate of the charges to be imposed by

1 management if the services are performed by management or its
2 agent.

3 (h) A provision stating that, prior to transferring any ownership
4 interest in the mobilehome or manufactured home, the management
5 may require proof of registration as owner pursuant to Section
6 18080.1 of the Health and Safety Code and a copy of a transfer
7 clearance certificate issued by the Department of Housing and
8 Community Development pursuant to Section 18116.1 of the Health
9 and Safety Code.

10 ~~(h)~~

11 (i) All other provisions governing the tenancy.

12 ~~(i)~~

13 (j) A copy of the following notice. Management shall also, prior
14 to February 1 of each year, provide a copy of the following notice
15 to all homeowners:

16
17 IMPORTANT NOTICE TO ALL MANUFACTURED
18 HOME/MOBILEHOME OWNERS: CALIFORNIA LAW REQUIRES THAT
19 YOU BE MADE AWARE OF THE FOLLOWING:

20
21 The Mobilehome Residency Law (MRL), found in Section 798 et seq. of the
22 Civil Code, establishes the rights and responsibilities of homeowners and park
23 management. The MRL is deemed a part of the terms of any park rental
24 agreement or lease. This notice is intended to provide you with a general
25 awareness of selected parts of the MRL. It does not serve as a legal explanation
26 or interpretation. For authoritative information, you must read and understand
27 the laws. These laws change from time to time. In any year in which the law
28 has changed, you may obtain one copy of the full text of the law from
29 management at no charge. This notice is required by Civil Code Section
30 798.15(i) and the information provided may not be current.

31
32 Homeowners and park management have certain rights and responsibilities
33 under the MRL. These include, but are not limited to:

- 34
35 1. Management must give a homeowner written notice of any increase in
36 his or her rent at least 90 days before the date of the increase. (Civil Code
37 Section 798.30)
38 2. No rental or sales agreement may contain a provision by which a purchaser
39 or a homeowner waives any of his or her rights under the MRL. (Civil
40 Code Sections 798.19, 798.77)

- 1 3. Management may not terminate or refuse to renew a homeowner's tenancy
2 except for one or more of the authorized reasons set forth in the MRL.
3 (Civil Code Sections 798.55, 798.56)
- 4 4. A homeowner must give written notice to the management of not less
5 than 60 days before vacating his or her tenancy. (Civil Code Section
6 798.59)
- 7 5. Homeowners, residents, and their guests must comply with the rental
8 agreement or lease, including the reasonable rules and regulations of the
9 park and all applicable local ordinances and state laws and regulations
10 relating to mobilehomes. Failure to comply could be grounds for eviction
11 from the park. (Civil Code Section 798.56)
- 12 6. Homeowners must pay rent, utility charges, and reasonable incidental
13 service charges in a timely manner. Failure to comply could be grounds
14 for eviction from the park. (Civil Code Section 798.56)
- 15 7. Homeowners have a right to peacefully assemble and freely communicate
16 with respect to mobilehome living and for social or educational purposes.
17 Homeowners have a right to meet in the park, at reasonable hours and in
18 a reasonable manner, for any lawful purpose. Homeowners may not be
19 charged a cleaning deposit in order to use the park clubhouse for meetings
20 of resident organizations or for other lawful purposes, such as to hear
21 from political candidates, so long as a homeowner of the park is hosting
22 the meeting and all park residents are allowed to attend. Homeowners
23 may not be required to obtain liability insurance in order to use common
24 facilities unless alcohol is served. (Civil Code Sections 798.50, 798.51)
- 25 8. If a home complies with certain standards, the homeowner is entitled to
26 sell it in place in the park. Management may require certain upgrades.
27 Management may not require a homeowner to sell his or her home to the
28 park, may not charge a transfer or selling fee, and may not require a
29 homeowner to use a broker or dealer approved by the park. A homeowner
30 has a right to advertise his or her home for sale. Management may deny
31 approval of a buyer, but only for certain reasons listed in the law. (Civil
32 Code Sections 798.70-798.74)
- 33 9. Management has the right to enter the space upon which a mobilehome
34 is situated for maintenance of utilities, trees, and driveways; for inspection
35 and maintenance of the space in accordance with the rules and regulations
36 of the park when the homeowner or resident fails to maintain the space;
37 and for protection and maintenance of the mobilehome park at any
38 reasonable time, but not in a manner or at a time that would interfere with
39 the resident's quiet enjoyment of his or her home. (Civil Code Section
40 798.26)

1 10. A homeowner may not make any improvements or alterations to his or
 2 her space or home without following the rules and regulations of the park
 3 and all applicable local ordinances and state laws and regulations, which
 4 may include obtaining a permit to construct, and, if required by park rules
 5 or the rental agreement, without prior written approval of management.
 6 Failure to comply could be grounds for eviction from the park. (Civil
 7 Code Section 798.56)

8
 9
 10 **SECTION 4.**

11 *SEC. 2.* Section 798.58.5 is added to the Civil Code, to read:

12 798.58.5. Notwithstanding Section 798.56, nonconformance
 13 with the registration and titling requirements of state law, including,
 14 but not limited to, nonpayment or late payment of any fees, taxes,
 15 penalties, or interest related to the ownership of a mobilehome or
 16 manufactured home, shall not be a basis for eviction from a
 17 mobilehome park in either of the following situations:

- 18 (a) If the nonconformance occurs prior to January 1, 2017.
- 19 (b) An application to transfer title pursuant to Article 4
 20 (commencing with Section 18098) of Chapter 8 of Part 2 of
 21 Division 13 or subdivision (d) of Section 18116.1 of the Health
 22 and Safety Code is filed prior to January 1, 2019, and completed
 23 within one year of the filing date.

24 *SEC. 3.* Section 798.74 of the Civil Code is amended to read:

25 798.74. (a) The management may require the right of prior
 26 approval of a purchaser of a mobilehome that will remain in the
 27 park and that the selling homeowner or his or her agent give notice
 28 of the sale to the management before the close of the ~~sale.~~ *sale,*
 29 *proof of registration as owner pursuant to Section 18080.1 of the*
 30 *Health and Safety Code, and a copy of the transfer clearance*
 31 *certificate issued by the Department of Housing and Community*
 32 *Development pursuant to Section 18116.1 of the Health and Safety*
 33 *Code.* Approval cannot be withheld if the purchaser has the
 34 financial ability to pay the rent and charges of the park unless the
 35 management reasonably determines that, based on the purchaser's
 36 prior tenancies, he or she will not comply with the rules and
 37 regulations of the park. In determining whether the purchaser has
 38 the financial ability to pay the rent and charges of the park, the
 39 management shall not require the purchaser to submit copies of
 40 any personal income tax returns in order to obtain approval for

1 residency in the park. However, management may require the
2 purchaser to document the amount and source of his or her gross
3 monthly income or means of financial support.

4 Upon request of any prospective homeowner who proposes to
5 purchase a mobilehome that will remain in the park, management
6 shall inform that person of the information management will
7 require in order to determine if the person will be acceptable as a
8 homeowner in the park.

9 Within 15 business days of receiving all of the information
10 requested from the prospective homeowner, the management shall
11 notify the seller and the prospective homeowner, in writing, of
12 either acceptance or rejection of the application, and the reason if
13 rejected. During this 15-day period the prospective homeowner
14 shall comply with the management's request, if any, for a personal
15 interview. If the approval of a prospective homeowner is withheld
16 for any reason other than those stated in this article, the
17 management or owner may be held liable for all damages
18 proximately resulting therefrom.

19 (b) If the management collects a fee or charge from a prospective
20 purchaser of a mobilehome in order to obtain a financial report or
21 credit rating, the full amount of the fee or charge shall be credited
22 toward payment of the first month's rent for that mobilehome
23 purchaser. If, for whatever reason, the prospective purchaser is
24 rejected by the management, the management shall refund to the
25 prospective purchaser the full amount of that fee or charge within
26 30 days from the date of rejection. If the prospective purchaser is
27 approved by the management, but, for whatever reason, the
28 prospective purchaser elects not to purchase the mobilehome, the
29 management may retain the fee, or a portion thereof, to defray its
30 administrative costs under this section.

31 (c) *If management approves for residency a prospective*
32 *homeowner who is purchasing a home that will remain in the park*
33 *and enters into a lease agreement with the prospective homeowner,*
34 *management shall, within 20 days, notify the Department of*
35 *Housing and Community Development of the sale of the home by*
36 *forwarding to the department the name of the transferor, the name*
37 *of the transferee and the address or location of the home, pursuant*
38 *to Section 18100.5 of the Health and Safety code.*

1 ~~SEC. 2.~~

2 SEC. 4. Section 18092.7 of the Health and Safety Code is
3 amended to read:

4 18092.7. (a) Except as provided in subdivision (b) and Section
5 18116.1, the department shall withhold the registration or transfer
6 of registration of any manufactured home, mobilehome, or floating
7 home which is subject to local property taxation, other than a new
8 manufactured home, mobilehome, or floating home for which
9 application is being made for an original registration, until the
10 applicant presents a tax clearance certificate or a conditional tax
11 clearance certificate issued pursuant to Section 2189.8 or 5832 of
12 the Revenue and Taxation Code by the tax collector of the county
13 where the manufactured home, mobilehome, or floating home is
14 located. Any conditional tax clearance certificate presented shall
15 indicate that the tax liability has been satisfied pursuant to
16 paragraph (3) of subdivision (m) of Section 18035.

17 (b) In lieu of the tax clearance certificate or conditional tax
18 clearance certificate required by subdivision (a), the department
19 may accept a certification signed by the escrow officer under
20 penalty of perjury that the tax collector of the county where the
21 manufactured home is located has failed to respond to the written
22 demand for a conditional tax clearance certificate as prescribed
23 by subdivision (m) of Section 18035.

24 SEC. 5. Section 18100.5 of the Health and Safety Code is
25 amended to read:

26 18100.5. (a) *Whenever any title or interest in a manufactured*
27 *home, mobilehome, commercial coach, or truck camper, or floating*
28 *home is transferred to another person or entity, in addition to any*
29 *notice provided pursuant to this section, the transferor shall, within*
30 *20 days, notify the department of the interest transferred and the*
31 *party to whom it was transferred. The department may prescribe*
32 *a form to be used for this purpose.*

33 (b) *Whenever any title or interest of a registered owner of a*
34 *manufactured home or mobilehome located within a mobilehome*
35 *park is transferred to another person or entity, the owner of the*
36 *mobilehome park shall, within 20 days, notify the department of*
37 *the name of the transferor, the name of the transferee and the*
38 *address or location of the home. The department may prescribe a*
39 *form to be used for this purpose.*

1 (c) If the title or interest of a registered owner, legal owner,
2 junior lienholder in a manufactured home, mobilehome,
3 commercial coach, or truck camper, or floating home for which
4 an original registration under this part has been obtained is
5 transferred to another person, or, if all outstanding secured
6 obligations previously held by a legal owner registered on the
7 original or a subsequent registration or by a junior lienholder are
8 satisfied and the person no longer has any obligation to extend
9 credit, incur obligations, or otherwise give value to be secured by
10 the manufactured home, mobilehome, commercial coach, truck
11 camper, or floating home, or, if a security interest is taken in a
12 manufactured home, mobilehome, commercial coach, truck camper,
13 or floating home after the permanent title record has been
14 established, the department shall be notified within 20 days and
15 shall act as follows:

16 (1) If the title or interest of a registered owner or legal owner
17 is being transferred, the transferor and the transferee of the title or
18 interest shall execute in the manner prescribed by the department
19 the certificate of title for the manufactured home, mobilehome,
20 commercial coach, truck camper, or floating home. If the transfer
21 is made by a registered owner and the transferee is to assume the
22 underlying indebtedness secured by the manufactured home,
23 mobilehome, commercial coach, truck camper, or floating home
24 and owed to a legal owner, the legal owner shall state on the
25 certificate of title that legal title and interest are to be retained. The
26 certificate of title along with all other supporting documents shall
27 be forwarded to the department with appropriate fees. The
28 department shall appropriately amend the permanent title record
29 of the manufactured home, mobilehome, commercial coach, truck
30 camper, or floating home, forward a new certificate of title
31 reflecting the change to the permanent title record to the legal
32 owner by first-class mail, and forward an amended registration
33 card reflecting the change to the permanent title record to the
34 registered owner with copies to all secured parties shown on the
35 permanent title record. If there is no legal owner, the new certificate
36 of title and amended registration card shall be forwarded to the
37 registered owner.

38 (2) If the interest of a junior lienholder is being transferred, the
39 transferor and the transferee shall execute in a manner prescribed
40 by the department the registration card, and the card so executed

1 shall be forwarded to the department with appropriate fees. The
2 department shall appropriately amend the permanent title record
3 and forward an amended registration card reflecting the change to
4 the permanent title record to the registered owner with copies to
5 all secured parties shown on the permanent title record.

6 (3) If a creditor acquires a security interest in a manufactured
7 home, mobilehome, commercial coach, truck camper, or floating
8 home after the permanent title record has been established, the
9 department shall amend the permanent title record to reflect the
10 interest as that of a legal owner or as that of a junior lienholder,
11 as appropriate. If the permanent title record already reflects the
12 interest of one or more junior lienholders, the creditor then
13 perfecting its interest pursuant to this section shall be designated
14 as the most junior lienholder.

15 (4) If a legal owner no longer holds an outstanding obligation
16 or a commitment to make advances, incur obligations, or otherwise
17 give value to be secured by the manufactured home, mobilehome,
18 commercial coach, or truck camper, or floating home, the legal
19 owner shall indicate its release of lien by appropriately signing the
20 certificate of title for the manufactured home, mobilehome,
21 commercial coach, truck camper, or floating home and forward
22 the certificate of title to the department with appropriate fees. The
23 department shall appropriately amend the permanent title record
24 for the manufactured home, mobilehome, commercial coach, truck
25 camper, or floating home, deliver a new certificate of title reflecting
26 the change to the permanent title record to the new legal owner,
27 if any, by first-class mail, and forward an amended registration
28 card reflecting the change to the permanent title record to the
29 registered owner with copies to all secured parties shown on the
30 registration card. For purposes of this paragraph, the following
31 person shall be designated as the new legal owner:

32 (A) The junior lienholder, if any.

33 (B) If there is more than one junior lienholder, the junior
34 lienholder whose statement of lien was designated as the most
35 senior junior lienholder on the permanent title record shall be the
36 legal owner.

37 (5) If a junior lienholder no longer holds an outstanding
38 obligation or a commitment to make advances, incur obligations,
39 or otherwise give value to be secured by the manufactured home,
40 mobilehome, commercial coach, truck camper, or floating home,

1 the junior lienholder shall forward the properly executed and
2 released junior lienholder registration card to the department with
3 appropriate fees. The department shall appropriately amend the
4 permanent title record for the manufactured home, mobilehome,
5 commercial coach, truck camper, or floating home and forward
6 an amended registration card reflecting the change to the permanent
7 title record to the registered owner with copies to all secured parties
8 shown on the permanent title record.

9 ~~(b)~~

10 (d) (1) Notwithstanding subdivision (d) of this section and
11 subdivisions (c) and (e) of Section 18080.7, for the 120-day period
12 beginning upon the receipt by the department of the notice of
13 escrow and appropriate fee provided by paragraph (2) of
14 subdivision (d) of Section 18035, or until the escrow is canceled
15 or until the escrow closes and the resulting transfers of ownership
16 interests and transfers or creation of legal owner and junior
17 lienholder interests are acknowledged by the department as
18 amendments to the permanent title record of the manufactured
19 home, mobilehome, truck camper, or floating home, whichever is
20 earlier, the department, except at its sole discretion, shall impose
21 a moratorium on all of the following:

22 (A) On any other amendments to the permanent title record of
23 the manufactured home, mobilehome, truck camper, or floating
24 home for the purpose of transferring any ownership interest or
25 transferring or creating any security interest in the manufactured
26 home or mobilehome.

27 (B) On issuing any duplicate, substitute, or new certificate of
28 title, registration card, or copy of a registration card regarding the
29 manufactured home, mobilehome, or floating home.

30 (C) On subsequent notices of escrow openings.

31 (2) The department shall, upon receipt of the notice of escrow
32 and the appropriate fee, forward to the escrow agent an
33 acknowledgment of receipt and a true and correct copy of the
34 permanent title record as of the commencement of the period of
35 moratorium.

36 ~~(e)~~

37 (e) If a secured party fails to comply with the provisions of
38 subdivision (a) relating to releases of lien and the secured party
39 thereafter receives a written demand from the registered owner
40 that the secured party release its lien, the secured party shall be

1 liable to the registered owner for all actual damages suffered by
2 the registered owner by reason of the failure to release the lien
3 unless the secured party, within 20 days of receipt of the demand,
4 complies with the requirements of subdivision (a), except where
5 the secured party has reasonable cause for noncompliance.

6 ~~(d)~~

7 (f) Whenever the title or interest of the registered owner or legal
8 owner in or to a manufactured home, mobilehome, commercial
9 coach, truck camper, or floating home registered under this part
10 passes to another in a manner other than by voluntary transfer, the
11 new registered owner or legal owner may obtain a transfer of
12 registration upon application therefor and upon presentation of the
13 last certificate of title, if available, and current registration card,
14 if available, issued for the manufactured home, mobilehome,
15 commercial coach, truck camper, or floating home and any
16 instruments or documents of authority or certified copies thereof
17 as may be required by the department, or required by law, to
18 evidence or effect the transfer of title or interest in that case. The
19 department, when satisfied of the genuineness and regularity of
20 the transfer, shall amend the permanent title record of the
21 manufactured home, mobilehome, commercial coach, truck camper,
22 or floating home, issue a new current registration card and
23 certificate of title, and forward copies of the current registration
24 card to all junior lienholders.

25 ~~(e)~~

26 (g) The department shall not transfer registration until the
27 applicant complies with the requirements of Section 18092.7.

28 ~~SEC. 3.~~

29 *SEC. 6.* Section 18116.1 of the Health and Safety Code is
30 amended to read:

31 18116.1. (a) Nonpayment of the fees and penalties provided
32 for in Sections 18114, 18114.1, and 18115, and in subdivisions
33 (a), (b), (c), and (d) of Section 18116 that are due on a mobilehome,
34 manufactured home, commercial coach, truck camper, or floating
35 home shall constitute a lien in favor of the State of California in
36 the amount owing.

37 (b) Notwithstanding any other provision of law, the lien provided
38 for in subdivision (a) shall include all fees and penalties due and
39 unpaid beginning with the fees for original registration that became
40 delinquent for 120 days or more and continue to accrue to include

1 all fees and penalties that subsequently become due and remain
2 unpaid.

3 (c) Until the amount of a lien provided for in subdivision (a) or
4 (b) is paid to the department, the department shall not do either of
5 the following:

6 (1) Amend the permanent title record of the manufactured home,
7 mobilehome, commercial coach, truck camper, or floating home
8 which is the subject of the lien for the purpose of transferring any
9 ownership interest or transferring or creating any security interest
10 in the manufactured home, mobilehome, commercial coach, truck
11 camper, or floating home.

12 (2) Issue any duplicate, substitute, or new certificate of title,
13 registration card, or copy of a registration card with respect to the
14 manufactured home, mobilehome, commercial coach, truck camper,
15 or floating home which is the subject of the lien.

16 (d) (1) When application is made to the department for
17 registration or transfer of registration of a manufactured home or
18 mobilehome, and the applicant is not currently the registered
19 owner, with respect to all charges assessed by the department prior
20 to the date the title or interest in the manufactured home or
21 mobilehome was transferred to the applicant, the department shall
22 release any lien imposed pursuant to this chapter and waive all
23 outstanding charges assessed by the department, if all of the
24 following requirements are met:

25 (A) The applicant provides documentation demonstrating to the
26 satisfaction of the department ownership and the date of acquisition
27 of ownership interest pursuant to Section 18100.5 or 18102.5.

28 (B) The application is made prior to December 31, 2018.

29 (C) The applicant pays any charges assessed by the department
30 during the period between the time the applicant took ownership
31 interest or December 31, 2014, whichever is later, and the time
32 the applicant applies for relief pursuant to this subdivision.

33 (D) The applicant has not previously filed for relief pursuant to
34 this subdivision.

35 (E) *Any lien pursuant to Section 16182 of the Government Code*
36 *has been satisfied.*

37 (2) If the applicant meets the requirements of paragraph (1) and
38 the other requirements of this chapter not related to nonpayment
39 or late payment of the department's charges, fees, and penalties
40 related to registration and titling, the department shall waive the

1 outstanding charges, fees, or penalties identified in paragraph (1),
2 amend the title record, and issue a duplicate, substitute, or new
3 certificate of title, registration card, or copy of a registration card
4 with respect to the manufactured home or mobilehome, in
5 conformance with this chapter.

6 (3) For purposes of any amounts owing pursuant to this
7 subdivision, the department may establish a long term payment
8 program of up to five years. The department may provide that any
9 amounts owing under the payment program shall constitute a lien
10 in favor of the State of California in the amount owing and shall
11 be paid in full if the manufactured home or mobilehome is
12 subsequently transferred. Failure to make the payments required
13 by the plan is a violation of this chapter for which the department
14 may suspend, revoke, or cancel the certificate of title pursuant to
15 Section 18122.

16 (4) (A) If the manufactured home or mobilehome for which an
17 application has been submitted and approved pursuant to this
18 subdivision and the other requirements of this chapter not related
19 to nonpayment or late payment of the department's charges, fees,
20 and penalties related to registration and titling, is subject to local
21 property taxation, the department shall issue a conditional transfer
22 of title.

23 (B) Upon presentation of a completed tax liability certificate as
24 provided in subdivision (f) of Section 5832 of the Revenue and
25 Taxation Code, if the applicant meets all of the requirements of
26 this section and the other requirements of this chapter not related
27 to nonpayment or late payment of the department's charges, fees,
28 and penalties related to registration and titling, and the requirements
29 of paragraph (2) are met, the department shall amend the title
30 record and issue a duplicate, substitute, or new certificate of title.

31 *(e) Prior to transferring any ownership interest or transferring*
32 *or creating any security interest in the manufactured home or*
33 *mobilehome, a registered owner shall apply to the department for*
34 *a transfer clearance certificate indicating the department may*
35 *amend the title record and transfer the registration of the*
36 *mobilehome or manufactured home. The department shall issue*
37 *the transfer clearance certificate if it determines that it is not*
38 *prohibited by law from amending the title record and transferring*
39 *the registration of the mobilehome or manufactured home. This*
40 *certificate shall expire 90 days from the date of issuance.*

1 (f) *Upon notification of any transfer of any ownership interest*
2 *or transferring or creating any security interest in a manufactured*
3 *home or mobilehome, the department shall notify the transferee*
4 *of the obligation to title and register the home pursuant to this*
5 *chapter and the procedure for titling and registration. If, after 90*
6 *days, the transferee has not complied with the titling and*
7 *registration requirements of this chapter, the department shall*
8 *notify the transferee and, if the mobilehome or manufactured home*
9 *is located in a mobilehome park, the park management of the*
10 *transferee's failure to comply.*

11 ~~SEC. 4.~~

12 SEC. 7. Section 18550 of the Health and Safety Code is
13 amended to read:

14 18550. It is unlawful for any person to use or cause, or permit
15 to be used for occupancy, any of the following manufactured homes
16 or mobilehomes wherever the manufactured homes or mobilehomes
17 are located, or recreational vehicles located in mobilehome parks:

18 (a) Any manufactured home, mobilehome, or recreational
19 vehicle supplied with fuel, gas, water, electricity, or sewage
20 connections, unless the connections and installations conform to
21 regulations of the department.

22 (b) Any manufactured home, mobilehome, or recreational
23 vehicle that is permanently attached with underpinning or
24 foundation to the ground, except for a manufactured home or
25 mobilehome bearing a department insignia or federal label, that is
26 installed in accordance with this part.

27 (c) (1) Any manufactured home or mobilehome that does not
28 conform to the registration requirements of the department, except
29 as otherwise provided in this subdivision.

30 (2) Nonconformance is not a basis for eviction from a
31 mobilehome park of a person claiming to be an owner of a
32 manufactured home or mobilehome in either of the following
33 situations:

34 (A) If the nonconformance occurs prior to January 1, 2017.

35 (B) If the person files an application to transfer title pursuant
36 to Article 4 (commencing with Section 18098) of Chapter 8 of
37 Part 2 of Division 13 or subdivision (d) of Section 18116.1 prior
38 to January 1, 2019, and completes the application within one year
39 of the filing date.

1 (3) It is not a violation of this section for a park owner to allow
2 a person not in compliance with the registration requirements of
3 the department to occupy a manufactured home or mobilehome if
4 the person meets the requirements of paragraph (2).

5 (d) Any manufactured home, mobilehome, or recreational
6 vehicle in an unsafe or unsanitary condition.

7 (e) Any manufactured home, mobilehome, or recreational
8 vehicle that is structurally unsound and does not protect its
9 occupants against the elements.

10 ~~SEC. 5.~~

11 *SEC. 8.* Section 5832 of the Revenue and Taxation Code is
12 amended to read:

13 5832. (a) (1) Upon application, the county tax collector shall
14 issue a tax clearance certificate or a conditional tax clearance
15 certificate.

16 (2) Any tax clearance certificate issued shall be used to permit
17 registration of used manufactured homes and for any other purposes
18 that may be prescribed by the Controller. The certificate may
19 indicate that the county tax collector finds that no local property
20 tax is due or is likely to become due, or that any applicable local
21 property taxes have been paid or are to be paid in a manner not
22 requiring the withholding of registration or the transfer of
23 registration.

24 (3) Any conditional tax clearance certificate issued shall indicate
25 that the county tax collector finds that a tax liability exists, the
26 amount due, and the final date that amount may be paid before a
27 further tax liability is incurred. The certificate shall be in any form
28 that the Controller may prescribe, and shall be executed, issued,
29 and accepted for clearance of registration or permit issuance on
30 the conditions which the Controller may prescribe.

31 (b) Within five working days of receipt of the written demand
32 for a conditional tax clearance certificate or tax clearance
33 certificate, the county tax collector shall forward the conditional
34 tax clearance certificate or tax clearance certificate, showing no
35 tax liability exists, to the requesting escrow officer. In the event
36 the final due date of the tax clearance certificate or conditional tax
37 clearance certificate expires within 30 days of the date of its
38 issuance, an additional conditional tax clearance certificate or tax
39 clearance certificate shall be completed, which has a final due date
40 of at least 30 days beyond the date of issuance. The tax collector

1 shall not charge a fee for the issuance of a certificate unless a
2 previously issued tax clearance certificate or conditional tax
3 clearance certificate expires prior to the date upon which title
4 transfers. The fee for the issuance of a subsequent certificate with
5 respect to that manufactured home shall be an amount equal to the
6 actual costs of preparing and processing that certificate.

7 (c) If the tax collector fails to comply with the demand within
8 30 days from the date the demand is mailed, the escrow officer
9 may close the escrow in accordance with the provisions of
10 subdivision (m) of Section 18035 of the Health and Safety Code.

11 (d) Notwithstanding any provisions of law requiring the tax
12 collector to issue a tax clearance certificate or conditional tax
13 clearance certificate within a specified period of time, when an
14 escrow information demand is made pursuant to Section 18035 of
15 the Health and Safety Code for a manufactured home that has not
16 been enrolled in the county, the tax collector shall be afforded the
17 number of working days necessary for the assessor to determine
18 the value of the manufactured home and for the auditor to extend
19 tax liability.

20 (e) The issuance, alteration, forgery, or use of any tax clearance
21 certificate or conditional certificate in a manner contrary to the
22 requirements of the Controller constitutes a misdemeanor.

23 (f) (1) Prior to January 1, 2019, a person with a conditional
24 transfer of title as described in subparagraph (A) of paragraph (4)
25 of subdivision (d) of Section 18116.1 of the Health and Safety
26 Code may apply to the tax collector to issue either a tax liability
27 or tax clearance certificate. The county tax collector shall issue a
28 tax liability certificate if the person pays the taxes reasonably owed
29 from the date of sale as shown on the conditional transfer of title,
30 without penalties or interest, and not to exceed the amounts
31 attributable one year prior to January 1, 2016.

32 (2) Upon issuance of a tax clearance or liability certificate, the
33 applicant shall be listed as the owner of record for all local property
34 tax purposes and the home shall not be subject to lien or seizure
35 based on any taxes, penalties, or interest as noted on the certificate
36 issued pursuant to paragraph (1). The tax collector shall notify the
37 assessor and other county agencies of the change.

38 (3) This subdivision does not relieve any owner other than the
39 applicant from tax liability, including penalties and interest, arising
40 from nonpayment prior to the date of sale, or prohibit a county tax

1 collector from collecting delinquent taxes, penalties, or interest
2 due prior to the date of sale, from any owner other than the
3 applicant.

4 ~~SEC. 6.~~

5 *SEC. 9.* The Legislature finds and declares that the abatement
6 of taxes, penalties, and interest incurred prior to the date of sale
7 of a mobilehome or manufactured home to an applicant, as
8 described in this act, serves a public purpose and does not constitute
9 a gift of public funds within the meaning of Section 6 of Article
10 XVI of the California Constitution.

11 ~~SEC. 7.~~

12 *SEC. 10.* If the Commission on State Mandates determines that
13 this act contains costs mandated by the state, reimbursement to
14 local agencies and school districts for those costs shall be made
15 pursuant to Part 7 (commencing with Section 17500) of Division
16 4 of Title 2 of the Government Code.

17 ~~SEC. 8.~~

18 *SEC. 11.* Notwithstanding Section 2229 of the Revenue and
19 Taxation Code, no appropriation is made by this act and the state
20 shall not reimburse any local agency for any property tax revenues
21 lost by it pursuant to this act.