

Date of Hearing: May 9, 2012

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT

Norma Torres, Chair

AB 2150 (Atkins) – As Introduced: February 23, 2012

AS PROPOSED TO BE AMENDED MAY 9, 2012

SUBJECT: Mobilehome parks.

SUMMARY: Creates a new notice that the management in a mobilehome park must provide to all homeowners on an annual basis. Specifically, this bill:

- 1) Requires the management in a mobilhome park to include a copy of the following notice with any rental agreement and, prior to February 1 of each year, provide a copy of the notice to all homeowners:

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

The Mobilehome Residency Law (MRL), found in Section 798, et seq. of the Civil Code, establishes the rights and responsibilities of homeowners and park management. The MRL is deemed a part of terms of any park rental agreement or lease. This law is subject to change. You may request a current copy of the complete text of this law once per year from the park management.

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

- 1) Management must give a homeowner written notice of any increase in his or her rent at least 90 days before the date of the increase. [Civil Code 798.30]
- 2) No rental or sales agreement may contain a provision by which a purchaser or a homeowner waives any of his or her rights under the MRL. [Civil Code Sections 798.19, 798.77]
- 3) Management may not terminate or refuse to renew a homeowner's tenancy except for one or more of the authorized reasons set forth in the MRL. [Civil Code Sections 798.55, 798.56]
- 4) A homeowner must give written notice to the management of not less than 60 days before vacating his or her tenancy. [Civil Code Section 798.59]
- 5) Homeowners, residents, and their guests must comply with the rental agreement or lease, including the reasonable rules and regulations of the park and all applicable local ordinances and state laws and regulations relating to mobilehomes. Failure to comply could be grounds for eviction from the park. [Civil Code Section 798.56]

- 6) Homeowners must pay rent, utility charges, and reasonable incidental service charges in a timely manner. Failure to comply could be grounds for eviction from the park. [Civil Code Section 798.56]
  - 7) Homeowners have a right to peacefully assemble and freely communicate with respect to mobilehome living and for social or educational purposes. Homeowners have a right to meet in the park, at reasonable hours and in a reasonable manner, for any lawful purpose. Homeowners may not be charged a cleaning deposit in order to use the park clubhouse for meetings of resident organizations or for other lawful purposes, such as to hear from political candidates, so long as all park residents are allowed to attend. Homeowners may not be required to obtain liability insurance in order to use common facilities unless alcohol is served. (Civil Code Sections 798.50, 798.51).
  - 8) If a home complies with certain standards, the homeowner is entitled to sell it in place in the park. Management may require certain upgrades. Management may not require a homeowner to sell his or her home to the park, may not charge a transfer or selling fee, and may not require a homeowner to use a broker or dealer approved by the park. A homeowner has a right to advertise his or her home for sale. Management may deny approval of a buyer, but only for certain reasons listed in the law. [Civil Code Sections 798.70-798.74].
  - 9) Management has the right to enter the space upon which a mobilehome is situated for maintenance of utilities, trees, and driveways; for inspection and maintenance of the space in accordance with the rules and regulations of the park when the homeowner or resident fails to maintain the space; and for protection and maintenance of the mobilehome park at any reasonable time, but not in a manner or at a time that would interfere with the resident's quiet enjoyment of his or her home. [Civil Code Section 798.26]
  - 10) A homeowner may not make any improvements or alterations to his or her space or home without following the rules and regulations of the park and all applicable local ordinances and state laws and regulations, which may include obtaining a permit to construct, and, if required by park rules or the rental agreement, without prior written approval of management. Failure to comply could be grounds for eviction from the park. [Civil Code Section 798.56]
- 2) Provides that all notices required under the Mobilehome Residency Law (Civil Code Section 798, et seq) to be delivered prior to February 1 of each year may be combined in one notice that contains all the information required by the sections under which the notices are given.

#### EXISTING LAW

- 1) Regulates, pursuant to the Mobilehome Residency Law (MRL), the rights, responsibilities, obligations, and relationships between mobilehome park management and park residents (Civil Code Section 789, et seq.).
- 2) Requires a copy of the text of the MRL to be attached as an exhibit and incorporated into a mobilehome park rental agreement by reference (Civil Code Section 798.15).

- 3) Requires management to do one of the following prior to February 1 of each year, if a significant change was made in the MRL by legislation enacted in the prior year:
  - a) Provide all homeowners with a copy of this chapter; or
  - b) Provide written notice to all homeowners that there has been a change to this chapter and that they may obtain one copy of this chapter from management at no charge. Management must provide a copy within a reasonable time, not to exceed seven days upon request.
- 4) Requires the management of a master-metered park to give written notice to homeowners and residents on or before February 1 of each year in their utility billing statements about assistance to low-income persons for utility costs available under the California Alternate Rates for Energy (CARE) program (Civil Code Section 798.43.1).

FISCAL EFFECT: None

COMMENTS:

The Mobilehome Residency Law (MRL) is California's landlord-tenant law for mobilehome parks. When a homeowner signs a rental agreement in a mobilehome park, a copy of the text of the MRL must be attached as an exhibit. Anytime the MRL is significantly changed, park management must, by February 1, either provide a new copy of the MRL to every homeowner or provide every homeowner with a notice that the law has been changed and that they can obtain a copy from management at no charge.

AB 2150 creates a new notice that would have to be included with any new rental agreement in a mobilehome park and be provided to all homeowners prior to February 1 of each year. The new notice provides a summary of homeowners' key rights and responsibilities under the MRL. The bill would delete the existing requirement that management notify homeowners when the MRL has been changed and instead include language in the new notice stating that the MRL is subject to change and that homeowners can request a copy of the law once per year from management.

Current law requires the management in master-metered parks to give written notice to homeowners and residents on or before February 1 of each year in their utility billing statements about assistance to low-income persons for utility costs available under the California Alternate Rates for Energy (CARE) program. AB 2150 would allow park management to combine the new notice with the CARE notice.

Arguments in Support

The sponsor of the bill, the Golden State Manufactured-Home Owners League (GSMOL), states that AB 2150 will help ensure that low- and moderate-income owners and potential purchasers of manufactured housing have a clear statement of important rights and duties that affect their residency in a manufactured housing community. According to GSMOL, the notice proposed in this legislation is a simple but important consumer tool that will be extremely beneficial to homeowners, who may not otherwise be aware of their rights.

Arguments in Opposition

The Western Manufactured Housing Communities Association (WMA), which has an "oppose unless amended" position on AB 2150, argues that the bill would create another requirement for a notice that is more of an informational summary of residents' rights than a legal notice of their actual rights under the MRL. WMA has concerns that there is no demonstrated need for the bill and that the bill contradicts changes made just two years ago in the same statute.

REGISTERED SUPPORT / OPPOSITION:

Support

Golden State Manufactured-Home Owner's League (sponsor)

California Rural Legal Assistance Foundation

Western Center on Law and Poverty

Opposition

Western Manufactured Housing Communities Association (unless amended)

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