

**FINAL
MANUFACTURED HOUSING
MOBILEHOME & RELATED**

2007 Bill Summary

Compliments of
Senator Lou Correa
Chair
**Senate Select Committee on
Manufactured Homes and Communities**

Final 2007 Manufactured Housing/Mobilehome & Related Bill Summary
TABLE OF CONTENTS

<u>Senate Bills</u>		<u>Page</u>
SB 127 (Kuehl)	Resale Disclosure	1
SB 181 (Dutton)	Common Interest Developments – Spot Bill	1
SB 475(Harman)	Common Interest Developments – Spot Bill	1
SB 528 (Aanestad)	Common Interest Developments – Agenda	1
SB 538 (Battin)	Mobilehome Definition Changed	1
SB 541 (Alquist)	Income Requirements for Residency	1
SB 586 (Dutton)	Housing Innovation Fund	2
SB 589 (Correa)	Mobilehome Park Sewage Clean-up	2
SB 753 (Correa)	Cal Home Mobilehome Funding	2
SB 829 (Wyland)	Cal Vet Mobilehome Funding	2
SB 900 (Corbett)	Mobilehome Park Condo Conversion	2
SB 948 (Harman)	Common Interest Developments – Member Education	2
SB 926 (Perata)	Mobilehome Residency Law – Spot Bill	2
SB 981 (Padilla)	Park Pass-Through Fees	3

<u>Assembly Bills</u>		<u>Page</u>
AB 285 (Garcia)	Mobilehome Rent Control – Second Home	3
AB 382 (Saldana)	Omnibus Housing Bill	3
AB 410 (Adams)	Unclaimed Tenant Property	3-4
AB 446 (Soto)	Notice for Removal of Home on Resale in Park	3
AB 460 (Cook)	Inspection of Pre-HUD Homes on Resale in Park	4
AB 481 (Tran)	Unlawful Detainer	4
AB 567 (Saldana)	Common Interest Developments – CID Bureau	4-5
AB 843 (Eng)	Property Tax Penalties	5
AB 952 (Mullin)	Common Interest Developments – Assessments	5
AB 976 (Calderon)	Tenant Information & Discrimination	5-6
AB 1069 (Cook)	Abandoned Mobilehomes	6
AB 1111(DeSauliner)	Senior Park Change – Resident Vote	6
AB 1153 (Garcia)	Mobilehome Dealers – Fingerprints	6
AB 1234 (Wolk)	Furnace Replacement	6
AB 1309 (Calderon)	Mobilehome Rent Control – Decontrol	7
AB 1542 (Evans)	Mobilehome Park Condo Conversion	7

Legend of Organizations & Terms:

AARP	= American Association of Retired Persons (senior organization)
CID	= Common Interest Development
CMHI	= California Manufactured Housing Industry (manufacturers/dealers)
CMPA	= California Mobilehome Park-owners Alliance
CMRAA	= California Mobilehome Resource & Action Association (homeowners)
CRLA	= California Rural Legal Assistance (affordable housing advocates)
GSMOL	= Golden State Manufactured-home Owners League (homeowners)
HCD	= Department of Housing and Community Development (state)
HUD	= Department of Housing and Urban Development (federal)
MRL	= Mobilehome Residency Law
MPA	= Mobilehome Parks Act
WMA	=Western Manufactured Housing Communities Association (park owners)

Final 2007 Manufactured Housing/Mobilehome & Related Bill Summary*

SENATE BILLS

SB 127 (Kuehl) – Resale Disclosure: requires that, in the case of the transfer of real property or the sale of a mobilehome or manufactured home, the resale disclosure (TDS) requirements shall be made before transfer of title or no later than 10 days, or in the case of the sale of an interest in a common interest development 20 days, after execution of the purchase agreement rather than before title transfer or by close of escrow as under current law.

Sponsor: Author

Support: Golden State Manufactured-Home Owners League, Gray Panthers;

Opposition: California Association of Realtors, California Escrow Association.

Status: Passed Senate 21-16, pending on Assembly Floor – 2-year bill.

SB 181 (Dutton) & SB 475 (Harman) – CID’s - Spots: “spot bills”** that make technical non-substantive changes in the Davis-Stirling Common Interest Development Act, which regulates common interest developments (CIDs) and some resident-owned parks.

Sponsor: Author

Support & Opposition: Unknown

Status: Pending Senate Rules Committee, 2-year bills.

SB 528 (Aanestad) – CID’s - Agenda: amends the Davis-Stirling Common Interest Development Act, which regulates CIDs and some resident-owned mobilehome parks, to require that the board of directors of the homeowners association establish an agenda for a meeting and may not consider or vote on any subject matter at a non-emergency meeting unless it was placed on the agenda when the meeting was noticed.

Sponsor: Author

Support: Unknown

Opposition: California Association of Community Managers, Community Associations Institute, Executive Council of Homeowners

Status: Passed Senate 38-0, Assembly 76-0, ***signed by the Governor, Chapter 250.***

SB 538 (Battin) – Mobilehome Definition Changed: declares that confusion exists within the housing industry and with other groups on the difference between manufactured housing and mobilehomes and changes state law to separately define and distinguish mobilehomes as those transportable dwelling structures built before June 15, 1976 and manufactured homes as those built on or after June 15, 1976. The bill requires HCD to rewrite regulations for “commercial modulars” on or after January 1, 2008 and makes other technical changes.

Sponsor: CMHI, Mobile Modular Corp. (co-sponsor)

Support: Modular Building Institute, WMA

Opposition: Unknown

Status: Passed Senate 39-0, Assembly 76-0, ***signed by the Governor, Chapter 540.***

SB 541 (Alquist) – Income Requirements for Residency: prohibits management from denying residency to a buyer of a mobilehome in a mobilehome park solely on the basis that the buyer does not satisfy a minimum park income requirement to pay the rent and charges of the park, and requires management to also consider, in addition to income, the purchaser’s financial assets.

Sponsor: CMRAA

Support: GSMOL, CRLA, Western Center Law & Poverty, CA Alliance of Retired Americans

Opposition: WMA, CMPA

Status: Passed Senate 24-12, failed in Assembly 30-31, granted reconsideration, 2-year bill.

SB 586 (Dutton) – Housing Innovation Fund: designates \$100 million from Proposition 13's Housing Innovation Fund approved by voters in November 2006 to various housing programs. A \$5 million allocation for the Mobilehome Park Resident Ownership Program (MPROP) to help homeowners purchase their parks or spaces was deleted from the bill. ***Urgency Clause.***

Sponsor: Author

Support & Opposition: Unknown

Status: Passed Senate, 33-1, Assembly 70-6, ***signed by the Governor, Chapter 652.***

SB 589 (Correa) – Mobilehome Park Sewage Clean-up: provides HCD with the authority to require mobilehome parks to remove debris from major sewage spills from mobilehomes, park sewage systems, and permanent buildings within a mobilehome park, not simply require sanitation of such spills, as is the practice under current law.

Sponsor: Author

Supporters: GSMOL, CMRAA, CRLA, Western Center on Law & Poverty.

Opposition: Unknown.

Status: Passed Senate 39-0, Assembly 74-0, ***signed by the Governor, Chapter 557.***

SB 753 (Correa) – Cal Home Mobilehome Funding: HCD's CalHome program provides loans and grants to help lower-income homeowners purchase or rehabilitate their homes. This bill clarifies that CalHome funds may be also used for loans to help lower-income park residents purchase either their lots in a mobilehome park, or the homes, or both.

Sponsor: Author

Support: GSMOL, California Coalition for Rural Housing, Neighborhood Friends, San Luis Obispo Housing Trust Fund, Californians for Resident Ownership.

Opposition: Unknown

Status: Passed Senate 34-0, Assembly 78-0, ***signed by the Governor, Chapter 561.***

SB 829 (Wyland) – Cal Vet Mobilehome Funding: expands the limit for Cal Vet loans on mobilehomes sited in parks from the current \$125,000 to \$175,000 but allows Cal Vet to charge a 1% or higher interest rate than conventional housing.

Sponsor: California Department of Veterans Affairs

Support: GSMOL

Opposition: Unknown

Status: Passed Senate 35-1, Assembly 77-0, ***signed by the Governor, Chapter 562.***

SB 900 (Corbett) – Mobilehome Park Condo Conversion: repeals a provision of the Subdivision Map Act that exempts mobile home parks converted to condominium resident ownership from most local subdivision map and local mobilehome rent control requirements.

Sponsor: GSMOL; Support: CMRAA, CRLA, Western Center Law & Poverty, others.

Opposition: WMA, CMPA, Californians for Resident Ownership, others.

Status: Passed Senate 22-16, pending in Assembly Housing Committee, 2-year bill.

SB 926 (Perata) – MRL Spot Bill: a "spot bill"*** expressing legislative intent to examine the Mobilehome Residency Law to determine whether it adequately protects the rights, health, safety and welfare of park residents.

Sponsor: Author

Support and Opposition: Unknown

Status: Pending Senate Rules Committee, 2-year bill.

SB 948 (Harman) – CID’s - Board Member Education: expands on current law, which provides the state departments of Consumer Affairs and Real Estate, when funding is available, shall develop an on-line education course for Common Interest Development board members. The bill requires every board member to complete one course during his/her first 12 months of office, and one course every four years thereafter, in CID statutory and case law.

Sponsor: Community Associations Institute; Support: Congress of CA Seniors

Opposition: California Alliance for Retired Americans, Gray Panthers

Status: Pending Senate Floor inactive file.

SB 981 (Padilla) – Park Pass-Through Fees: provides that park management may only provide for the maintenance of park common area improvements from funds acquired by rents, not “pass-through” fees on residents in addition to the rent. The bill also only applies to rental agreements entered into, extended or renewed on or after January 1, 2008.

Sponsor: GSMOL

Support: AARP, California Alliance Retired Americans, Gray Panthers, Neighborhood Friends.

Opposition: WMA, California Association of Realtors, CMPA

Status: Passed Senate 21-15, failed in Assembly 33-32, mobilehome provisions deleted, bill amended to deal with health issues, 2-year bill.

ASSEMBLY BILLS

AB 285 (Garcia) – Mobilehome Rent Control – 2nd Home: deletes a current MRL requirement that a park owner must show that a mobilehome owner in the park has another principal place of residence, other than his/her mobilehome, in order to exempt the homeowner’s mobilehome space from any local rent control ordinance. This bill would change “principal” to “sole” residence and provide that the management give notice, but not provide the homeowner with copies, of the documents relied upon by the park in determining that the mobilehome is not the homeowner’s sole residence.

Sponsor: WMA

Support: California Association of Realtors; CMPA

Opposition: California Alliance for Retired Americans, GSMOL

Status: Assembly Housing and Community Develop. Committee, hearing cancelled, 2-year bill

AB 382 (Saldana) – Omnibus Housing Bill: the Legislative Analysts Office has indicated the cost of producing a bill is almost \$18,000. By combining multiple, non-controversial changes to statute in one bill, the Legislature can be more cost-effective. Among approximately 20 proposed but unopposed changes to the code relating to housing, this bill repeals the Manufactured Housing Communities Act, which was never implemented, and makes Manufactured Housing Communities subject instead to the Mobilehome Parks Act (MPA). The bill also deletes a code reference to the Kelley Blue Book Official Manufactured Housing Guide, no longer published, as a guide used for purposes of property tax assessment of manufactured homes or mobilehomes.

Sponsor: Assembly Housing & Community Development Committee.

Support and Opposition: Unknown

Status: Passed Assembly 72-0, Senate 37-2, *signed by the Governor, Chapter 596*.

AB 410 (Adams) – Unclaimed Tenant Property: increases the maximum value of unclaimed personal property left by the tenant on the premises after an eviction, which the landlord may retain and dispose of without going to public auction, from \$300 to \$650. This provision may apply to some conventional tenancies in mobilehome parks but not to mobilehomes and their contents located in parks that may be subject to procedures for abandonment under the MRL.

Sponsor: Conference of Delegates of the California Bar Association
Support: Apartment Association of Greater Los Angeles, California Association of Realtors
Opposition: Unknown
Status: Passed Assembly 74-0, failed in Senate Judiciary Committee.

AB 446 (Soto) – Notice of Removal of Home on Resale in Park: under the MRL, a homeowner has a right to resell his/her mobilehome in place in the park, unless it is not a mobilehome as defined, does not comply with code, or is in significantly rundown condition or disrepair as determined by the park management. The management must give the homeowner, within 10 days of a homeowner's request, a written list of repairs or improvements required by management in order for the homeowner to resell the home in place. This bill provides that park management may not require removal of the home from the park on resale unless the homeowner is given a notice of the specific reason or condition for removal of the mobilehome.

Sponsor: GSMOL

Support: CRLA, Western Center on Law and Poverty

Opposition: CMPA

Status: Passed Assembly 43-29, Senate 24-11, *signed by the Governor, Chapter 549.*

AB 460 (Cook) – Inspection of Pre-HUD Homes on Resale in Park: under the MRL, a homeowner has a right to resell his/her mobilehome in place in the park, unless it is not a mobilehome as defined, does not comply with code, or is in significantly rundown condition or disrepair as determined by the park management. To determine whether a mobilehome is code-compliant, under current law inspections may be conducted on the exterior of the home, including the home installation and accessories structures. National (HUD) code standards for the manufacture of factory-built and manufactured housing were adopted in 1976. This bill requires that, as a condition of resale in place in the park, 1975 and older (pre-HUD) mobilehomes be inspected both inside and outside by a private home inspector and that management may prevent resale of the home in the park unless all violations found by the inspector are brought up to code..

Sponsor: WMA

Support: Unknown

Opposition: GSMOL, CA Alliance for Retired Americans

Status: Pending Assembly Housing & Community Development Committee, 2-year bill.

AB 481 (Tran) – Unlawful Detainer: makes various changes in an unlawful detainer action (UD), where a court decides upon the eviction of a tenant, to impose additional procedural requirements on defendant tenants. The bill raises from \$1,000 to \$2,500 the threshold value of the rent in dispute, beneath which the defendant, in lieu of demurrer or other formal legal answer to the complaint, may instead file a brief written denial. The bill would also require a defendant tenant who pleads breach of landlord obligations, such as warranty of habitability, in defense to specify particular violations and provide copies of notices of violations the defendant has given the landlord and other parties.

Sponsor: California Apartment Association

Support: Unknown

Opposition: CRLA, Western Center on Law & Poverty

Status: Pending Assembly Judiciary Committee, 2-year bill

AB 567 (Saldana) – Common Interest Developments – CID Bureau: the Davis-Stirling Common Interest Development Act regulates common interest developments (CIDs), which may include some resident-owned mobilehome parks. This bill would, until January 1, 2013, establish the Common Interest Development Bureau to, among other things, offer training materials and courses to CID directors, officers, and owners, in subjects relevant to operation of a CID and the

rights and duties of an association or owner. The bill would also require the bureau, upon a request, to investigate and assist in resolving disputes involving the Davis-Stirling Act or CID governing documents. The bill would require each CID association to prepare and distribute a list of all citations issued and other enforcement action taken against it by the Bureau, including a description of the nature of the issue requiring action and any fines levied against an association. The bill would impose a biennial association fee on common interest development associations, payable to the Secretary of State, and deposited in an account to support the above functions of the Common Interest Development Bureau.

Sponsor: Author

Support & Opposition: Unknown

Status: Pending Assembly Housing & Community Development, 2-year bill

AB 843 (Eng) – Property Tax Penalties: this bill would give owners of real property or mobilehomes 60 days instead of 45 days to respond to the county assessor's written request for a statement of change of ownership upon sale of property. Where the home is not eligible for the homeowners' exemption, the bill also raises the current \$2,500 penalty cap to \$10,000 for failure to file the statement of change of ownership.

Sponsor: State Board of Equalization;

Support: CA Tax Reform Association

Opposition: Unknown

Status: Passed Assembly 45-32, Senate 21-17, Vetoed by the Governor.

AB 843 VETO MESSAGE (partial): *Although an improvement over AB 926, which I vetoed last year, I am still concerned that the notification procedures in this measure do not adequately ensure that property owners actually receive requests from county assessors in a timely manner. I encourage proponents of this bill and property owners to develop procedures to ensure requests are appropriately delivered and received before penalties for failure to respond are levied.*

AB 952 (Mullin) – Common Interest Developments - Assessments: under the Davis-Stirling Common Interest Development Act, which also regulates some resident owned mobilehome parks, the board of directors may impose regular annual assessment increases up to 20% of the previous year's assessment without a vote of the homeowners. Except for emergency assessments as defined, this bill would prohibit the board from imposing annual or special assessment increases of more than 3% on units, which are required by law to be provided to low- or moderate-income purchasers, without a majority vote of the owners of those units.

Sponsor: Author

Support: California Alliance for Retired Americans, GSMOL, League of California Cities

Opposition: California Association of Community Managers, California Association of Realtors, Executive Council of Homeowners, Sun City Roseville Community Association

Status: Passed Assembly 45-32, pending on Senate Inactive file, 2-year bill.

AB 976 (Calderon) – Tenant Information and Discrimination: the California Fair Employment and Housing Act makes it unlawful to engage in specified discriminatory practices in housing accommodations on the basis of race, color, religion, sex, sexual orientation, marital status, national origin, ancestry, familial status, source of income, or disability. This bill would provide that no landlord shall make any inquiry regarding the immigration or citizenship status of a tenant, prospective tenant, or occupant of residential rental property; or require that any such tenant or person to make any statement, representation, or certification concerning his or her immigration or citizenship status. The bill also provides that no local government shall require a landlord to compile, disclose, report, or provide any information, or prohibit offering of accommodations in property for rent or lease.

Sponsor: Apartment Association of California Southern Cities; Support: Apartment Association of Orange County, Apartment Association of Greater Los Angeles, CRLA, Western Center on Law & Poverty

Opposition: California Apartment Association

Status: Passed Assembly 44-25, Senate 22-14, *signed by the Governor, Chapter 403.*

AB 1069 (Cook) – Abandoned Mobilehomes – Highways: treats mobilehomes and manufactured homes, when abandoned on public highways and determined by a public enforcement official as a hazard to the public, to be vehicles subject to removal in accordance with the state Vehicle Abatement Act.

Sponsor/Support: County of Riverside

Opposition: Auto Club of Southern California, California State Automobile Association

Status: Passed Assembly 76-0, Senate Housing hearing cancelled at author's request, 2-year bill.

AB 1111 (DeSauliner) – Senior Park Rule Changes – Resident Vote: requires the mobilehome park management to obtain the consent of 51% of the park residents before changing an existing park rule limiting residency in the park to seniors.

Sponsor: GSMOL; Support: City of American Canyon, others.

Opposition: CMPA, WMA

Status: Pending Assembly Housing Committee, 2-year bill

AB 1153 (Garcia) – Mobilehome Dealers - Fingerprints: HCD regulates and issues occupational licenses for manufacturers, distributors, dealers, or sellers of mobilehomes, manufactured homes, or commercial coaches. Applicants for occupational licenses issued by HCD are subject to fingerprinting requirements. This bill conforms HCD procedures for fingerprinting occupational licensing (OL) applicants to federal requirements and authorizes HCD to exchange fingerprinting data with the Federal Bureau of Investigation (FBI) in order to receive FBI information on OL applicants.

Sponsor: HCD

Support & Opposition: Unknown

Status: Passed Assembly 73-0, Senate 36-0, *signed by the Governor, Chapter 166 of 2007.*

AB 1234 (Wolk) – Furnace Replacement: provides that as of January 1, 2014, due to fire safety concerns, floor furnaces or unvented furnaces in homes or mobilehomes shall be deemed to not be in conformance with law and establishes a low-income energy assistance program for eligible low-income homeowners to replace those furnaces.

Sponsor: Author

Support: CRLA, California Fire Chiefs Association, California Professional Firefighters, Consumer Attorneys of California, Division of Ratepayer Advocates, Fire Districts Association of California, Western Center on Law & Poverty

Opposition: Sempra Energy

Status: Held on Assembly Appropriations Suspense file.

AB 1309 (Calderon) – Mobilehome Rent Control: there are approximately 100 local jurisdictions with some form of mobilehome park rent control in California. Some of these ordinances have a vacancy control or partial control mechanism, meaning that the rent can be increased or adjusted marginally upon a vacancy in a park space. This bill would pre-empt local mobilehome vacancy control rent ordinances, stating legislative findings on the negative effects of stringent rent control ordinances and the need to include vacancy decontrol provisions in those local ordinances. As amended, the bill, until January 1, 2011, could permit the park management to set the initial rent upon a vacancy not to exceed the greater of either 20% of the rental rate in effect immediately

proceeding tenancy or 70% of prevailing market rent for comparable units as defined in an appraisal in accordance with nationally recognized professional appraisal standards. After January 1, 2011, park management would have complete discretion to set the initial rent to market. After the initial rent is set, any increases above that level would be subject to local control until the next successive vacancy on that space.

Sponsor: WMA; Support: CA Association of Realtors, CA Chamber of Commerce, CMPA

Opposition: California Alliance for Retired Americans, City of Santa Rosa,

League of California Cities, GSMOL, Western Center on Law & Poverty

Status: Pending Assembly Judiciary, 2-year bill.

AB 1542 (Evans) – Park Condo Conversion: provides that a fast track provision of the Subdivision Map Act, which exempts mobile home parks converted to condominiums or subdivisions from most local subdivision map and local mobilehome rent control requirements, does not apply in local jurisdictions with mobilehome park rent control ordinances.

Sponsor: City of Santa Rosa, County of Sonoma.

Support: GSMOL, CMRAA, CRLA, Western Center on Law & Poverty, League of Cities

Opposition: WMA, CMPA, Californians for Resident Ownership, others.

Status: Passed Assembly 41-32; Senate 21-16, Vetoed by the Governor.

AB 1542 VETO MESSAGE (partial): *The intent of current state law is to provide an opportunity for home ownership to those mobilehome owners who desire to own both their home and the land it rests on. The law also offers protections for low-income individuals against unwarranted rent increases. While the bill's intent is to preserve low-income housing, it also extends rent control in certain circumstances to mobilehome owners in much of the state no matter what their income level. It is unclear what state interest is served by the extension of rent control for those who do not have an economic disadvantage. In addition, establishing two statewide standards for rent control seems confusing and unnecessary. I urge the Legislature over the coming year to find a solution that provides true balance for all the stakeholders.*

###

The list represents mobilehome related bills in the California State Legislature at the end of the session and on the final day for signature or veto, October 14, 2007. The list includes measures that may directly affect mobilehomes, manufactured homes, mobilehome parks and issues related there to but not bills on other issues that may indirectly affect mobilehomes or parks. Bills signed in 2007 are **bolded. Unless a signed bill includes an urgency clause, such as SB 586, it will not become law until January 1, 2008.*

**A “spot bill” is a place holder awaiting amendments to further detail or expand the issue referenced in the bill or change the bill to address another issue.