

**OFFICE OF LEGISLATIVE COUNSEL
DRAFT BILL**

RN: 2007472

This request was prepared for you in accordance with instructions provided to us by Jonathan Davis.

LCB Deputy Contact: Elaine Won at 341-8133.

The boxes checked below, if any, apply to this request:

Cover letter: This request is accompanied by a cover letter, to bring to your attention legal or practical issues that may be raised by this bill, if introduced.

Unbacked bill: The attached bill draft has **not** been backed for introduction. When a Member has decided to introduce this bill draft, the draft should be returned to the Office of Legislative Counsel as soon as possible so that it can be prepared for introduction by that Member.

Spot bill: This bill, if introduced, may not be qualified for referral to a committee, if it is deemed a bill that makes no substantive change in or addition to existing law, or that would not otherwise affect the ongoing operations of state or local government (see, for example, Assembly Rule 51.5).

Bill related to the budget: In order for this measure to be deemed a bill "providing for appropriations related to the budget" within the meaning of Section 12 of Article IV of the California Constitution, thereby allowing the measure to be passed by a majority vote and to take effect immediately upon enactment, it is necessary that this measure contain an appropriation and be identified in the Budget Bill as a measure related to the state budget.

Reintroduced bill: This bill, if introduced, may violate the rule that, except as specified, a Member may not author a bill during a session that would have substantially the same effect as a bill the Member previously introduced during that session (Joint Rule 54(c)).

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An act to amend and repeal Section 798.17 of the Civil Code, relating to mobilehomes.



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THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 798.17 of the Civil Code is amended to read:

798.17. (a) (1) ~~Rental~~ Except as provided in subdivisions (i) and (j), rental agreements meeting the criteria of subdivision (b) shall be exempt from any ordinance, rule, regulation, or initiative measure adopted by any local governmental entity which establishes a maximum amount that a landlord may charge a tenant for rent. The terms of a rental agreement meeting the criteria of subdivision (b) shall prevail over conflicting provisions of an ordinance, rule, regulation, or initiative measure limiting or restricting rents in mobilehome parks, only during the term of the rental agreement or one or more uninterrupted, continuous extensions thereof. If the rental agreement is not extended and no new rental agreement in excess of 12 months' duration is entered into, then the last rental rate charged for the space under the previous rental agreement shall be the base rent for purposes of applicable provisions of law concerning rent regulation, if any.

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

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

- (1) The rental agreement shall be in excess of 12 months' duration.
- (2) The rental agreement shall be entered into between the management and a homeowner for the personal and actual residence of the homeowner.
- (3) The homeowner shall have at least 30 days from the date the rental agreement is first offered to the homeowner to accept or reject the rental agreement.
- (4) The homeowner who signs a rental agreement pursuant to this section may void the rental agreement by notifying management in writing within 72 hours of returning the signed rental agreement to management. This paragraph shall only apply if management provides the homeowner a copy of the signed rental agreement at the time the homeowner returns the signed rental agreement.
- (5) The homeowner who signs a rental agreement pursuant to this section may void the agreement within 72 hours of receiving an executed copy of the rental agreement pursuant to Section 798.16. This paragraph shall only apply if management does not provide the homeowner with a copy of the signed rental agreement at the time the homeowner returns the signed rental agreement.

(c) If, pursuant to paragraph (3) or (4) of subdivision (b), the homeowner rejects the offered rental agreement or rescinds a signed rental agreement, the homeowner shall be entitled to instead accept, pursuant to Section 798.18, a rental agreement for a term of 12 months or less from the date the offered rental agreement was to have begun. In the event the homeowner elects to have a rental agreement for a term of 12 months or less, including a month-to-month rental agreement, the rental agreement shall contain the same rental charges, terms, and conditions as the rental agreement



offered pursuant to subdivision (b), during the first 12 months, except for options, if any, contained in the offered rental agreement to extend or renew the rental agreement.

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

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

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

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

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

(i) This section shall not apply to any rental agreement entered into on or after January 1, 2020.

(j) This section shall remain in effect until January 1, 2025, and as of that date is repealed. As of January 1, 2025, any exemption pursuant to this section shall expire.

(k) The provisions of this section are severable. If any provision of this section or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.



LEGISLATIVE COUNSEL'S DIGEST

Bill No. _____
as introduced, _____.
General Subject: Mobilehome park residencies: rent control: exemption.

Existing law, the Mobilehome Residency Law, prescribes various terms and conditions of tenancies in mobilehome parks. Existing law exempts a rental agreement in a mobilehome park that is in excess of 12 months' duration, and that meets other specified requirements, from local ordinances and initiative measures that establish a maximum amount that a landlord may charge a tenant for rent, commonly referred to as rent control.

This bill would prohibit the above-described exemption from rent control in mobilehome parks for rental agreements from applying to a rental agreement entered into on and after January 1, 2020. The bill would repeal these provisions on January 1, 2025. The bill would declare that these provisions are severable.

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

