SENATE JUDICIARY COMMITTEE Senator Thomas Umberg, Chair 2025-2026 Regular Session

AB 391 (Michelle Rodriguez) Version: May 8, 2025 Hearing Date: June 17, 2025 Fiscal: No Urgency: No ID

SUBJECT

Mobilehome parks: notices to homeowners and residents

DIGEST

This bill permits mobilehome park management to provide all notices required by the Mobilehome Residency Law, except as specified, to mobilehome residents or owners by electronic communication with the resident or owner's voluntary, written consent.

EXECUTIVE SUMMARY

Mobilehomes and the mobilehome parks in which they often reside are an important source of affordable housing in California. Because mobilehomes are pre-fabricated and can be moved, mobilehome owners often own their mobilehome, but lease the lot on which it sits from the owner of a mobilehome park. Current law, the Mobilehome Residency Law (MRL), regulates the relationship between mobilehome park owners and park residents, and establishes various rights, responsibilities, and limits of both groups. The MRL also specifies a variety of notices that mobilehome park management must provide mobilehome owners and residents, including notices regarding increases in their rental rates, proposed changes in the park's rules and regulations, changes to the MRL, changes to the park's zoning or use permit, and termination of a mobilehome owner's tenancy. Unless otherwise provided, the MRL requires these notices to be delivered personally to the mobilehome owner, or by mail addressed to the mobilehome owner at their mobilehome site. AB 391 proposes to permit mobilehome park management to provide all notices required by the MRL, except for specified notices, by electronic communication, with the voluntary, written consent of the mobilehome owner or resident. AB 391 is sponsored by the Western Manufactured Housing Communities Association. The Committee has received no timely letters of opposition.

PROPOSED CHANGES TO THE LAW

Existing law:

- 1) Creates the Mobilehome Residency Law (MRL) to regulate the relationship between mobilehome park management and park residents, and establishes various rights, responsibilities, and limits of both groups. (Civ. Code §§ 798 *et seq.*).
- 2) Requires all notices required by the MRL, unless otherwise provided, to be either delivered personally to the homeowner, or deposited in the United States mail, postage prepaid, addressed to the homeowner at their site within the mobilehome park. Specifies that all notices required under the MRL to be delivered prior to February 1st of each year may be combined in one notice that contains all the information required by those notices. (Civ. Code § 798.14.)
- 3) Requires mobilehome site rental agreements to be in writing and contain specified provisions, including a copy of the rules and regulations of the park, a copy of the text of the MRL, and specified notices regarding mobilehome residents' rights. Requires that mobilehome park management must provide a copy of the MRL, or a notice that a change has been made to the MRL and that residents may obtain a copy of the MRL from management at no charge, prior to February 1st of each year whenever there has been a significant change to the MRL. (Civ. Code § 798.15.)
- 4) Specifies that a mobilehome park may only evict a resident for: failing to comply with a local or state law or regulation on mobilehomes within a reasonable time after the homeowner receives notice of noncompliance; conduct of the resident that amounts to a substantial annoyance of other homeowners or residents; conviction for certain crimes; failure to comply with a reasonable rule of the park; condemnation of the park; a change of use of the park or any portion of it, as specified; or for nonpayment of rent, utilities, or other reasonable incidental services charged by the park. (Civ. Code § 798.56.)
- 5) Prohibits management from terminating or refusing to renew a tenancy, except for a reason specified in (4) and upon giving written notice to the homeowner to sell or remove the mobilehome from the park, at the homeowner's election, within a period of not less than 60 days. Requires a copy of this notice to be sent to the legal owner of the mobilehome, each junior lienholder, and the registered owner of the mobilehome, if other than the homeowner, by United States mail within 10 days after notice to the homeowner. (Civ. Code § 798.55(b)(1).)
- 6) Requires that, when mobilehome park management plans to amend the park's rules and regulations, it must meet and consult with mobilehome residents in the park, after providing written notice to all mobilehome residents 10 days or more before the meeting. Requires that mobilehome residents who did not consent to the

proposed amendment of a rule or regulation receive written notice not less than 6 months before the amendment may be implemented after the meeting. (Civ. Code § 798.25.)

- 7) Requires mobilehome park management to provide written notice to all mobilehome owners and prospective owners regarding the zoning and use permit under which the mobilehome park is permitted to operate, including any expiration or renewal dates, and requires mobilehome park management to provide written notice within 30 days of any change of the park's zoning or use permit. (Civ. Code § 798.27.)
- 8) Requires mobilehome park management to provide mobilehome owners in the park written notice at least 90 days before any increase in their rent. (Civ. Code § 798.30.)
- 9) Requires management to provide all affected homeowners and residents at least 72 hours' written advance notice of an interruption in utility service of more than two hours for the maintenance, repair, or replacement of facilities of utility systems over which the management has control within the park, provided that the interruption is not due to an emergency. Allows mobilehome park management to, upon voluntary, written consent of a homeowner or resident, provide this notice by electronic communication in a form of electronic communication to which the homeowner or resident consents. (Civ. Code § 798.42.)
- 10) Provides that, if a mobilehome park management determines that a mobilehome within the park has been abandoned, as defined, that management must post a notice of abandonment on the mobilehome and mail such notice to the mobilehome owner and any other holder of interest in the mobilehome, and provides a process by which the mobilehome park may sell or dispose of the abandoned mobilehome after obtaining a judgment of abandonment in a limited civil action. (Civ. Code § 798.61.)
- 11) Prohibits mobilehome park management from requiring the removal of a mobilehome from the mobilehome park in the event of the sale of the mobilehome to a third party during the term of the mobilehome owner's rental agreement or for 60 days after management provided notice of eviction of the previous mobilehome owner, except in limited circumstances to upgrade the quality of the park. Requires mobilehome park management to provide particular notice of the condition of the mobilehome permitting it to require the mobilehome's removal under this exception. (Civ. Code § 798.73.)

This bill:

1) Specifies that, unless otherwise provided, all notices required by the MRL may be provided to the mobilehome owner or resident.

- 2) Specifies that these notices may be delivered to the mobilehome owner or resident by electronic communication in a form to which the mobilehome owner or resident expressly and affirmatively provided their voluntary, written consent.
- 3) Exempts from this ability to provide notices electronically notices required in specified sections related to termination of a mobilehome owner's tenancy, an abandoned mobilehome, and when mobilehome park management may require the removal of a mobilehome to upgrade the quality of the park.
- 4) Defines, for the purposes of its provisions, "voluntary, written consent" as the definition of that term provided in Civil Code section 798.42, which defines "voluntary, written consent" as written consent obtained separately from, and not contained in, any lease or rental agreement, that may be revoked by the mobilehome owner or resident in writing at any time.

COMMENTS

1. Author's statement

According to the author:

This bill takes critical steps to advance California's leading environmental friendly agenda by cutting down on millions of pieces of paper a year, that are more often than not simply wasted. When the MRL was first created and sent out annually, it was just a few pages long, with the MRL today being 28 pages. Not only will this bill cut down on environmental waste such as paper, but is saves fuel, ink, and resources needed to print, transport, and distribute the MRL.

2. Mobilehomes represent an important source of affordable housing in California

There are an estimated 508,589 mobilehome units in California.¹ Mobilehomes are prefabricated homes that are designed to be able to be transported and moved between locations. Because mobilehomes are transportable, they are considered personal property instead of real property like traditionally-built homes, and are not tied to the land on which they sit. Thus, mobilehomes are unique among all residential options. However, while they are technically mobile, a significant amount of time, effort, and money is often required to actually move a mobilehome. Costs for moving a mobilehome range from a few thousand to tens of thousands of dollars. Mobilehomes are also unique because many mobilehome residents own their mobilehome, but lease the land upon which their home is located. The mobilehome sits on a lot within a mobilehome park that consists of mobilehomes and common space. The mobilehome

¹ U.S. Census Bureau, 2021 American Community Survey 1-Year Estimates (2021), available at <u>https://data.census.gov/</u>.

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park and the lots on which the mobilehomes sit are usually privately owned and managed by a mobilehome park company.

Under this relationship, while residents technically own their mobilehome, they pay rent to the park management, are subject to the rules of the mobilehome park set by the ownership of the park, and they often rely on the park for the provision of utilities. If they fall behind on their rent payments to the park for their mobilehome's lot, or if they violate a rule of the park, they can be evicted from the park. Considering they may have paid considerable amounts of money to buy the mobilehome that they can no longer live in, they could lose the equity they've accumulated in their mobilehome upon eviction by the park, either by having to sell the mobilehome quickly, or spending thousands of dollars to move their mobilehome elsewhere.

Mobilehome residents in California tend to be of lower income and older than the average California renter, for whom mobilehome ownership is an important option for affordable housing. In fact, the median price of a mobilehome in 2022 was \$82,600, making mobilehome ownership one of the most significant, un-subsidized sources of affordable housing.²

3. The Mobilehome Residency Law

In light of the unique nature of mobilehome parks, the Legislature passed the Mobilehome Residency Law (MRL) in 1978 to regulate the relationship between mobilehome park management and park residents, and to establish various rights for, responsibilities of, and limitations on both groups. (Civ. Code §§ 798 et seq.) The MRL covers a variety of areas, including: permissible rental and lease contract terms; park rules and mandatory notices to residents; limits on fees and charges, as well as increases to them; and conditions and limits related to mobilehome park evictions. Provisions of the MRL relating to eviction require park management to give written notice to the resident, and provide for at least 60 days for the resident to either sell their mobilehome or remove it from the park. (Civ. Code § 798.55.) It also specifies that a park may evict a resident only for: failing to comply with a local or state law or regulation on mobilehomes within a reasonable time after the homeowner receives notice of noncompliance; conduct of the resident that amounts to a substantial annoyance of other homeowners or residents; conviction for certain crimes; failure to comply with a reasonable rule of the park; for nonpayment of rent, utilities, or another reasonable incidental service charged by the park; condemnation of the park; or for a change of uses of the park or any portion of it. (Civ. Code § 798.56.)

The MRL requires mobilehome parks to provide a number of notices and documents to mobilehome residents so that residents are aware of their rights and when important

² U.S. Census Bureau, Manufactured Housing Survey (Jun. 2022), available at <u>https://www.census.gov/data/tables/time-series/econ/mhs/annual-data.html</u>.

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changes are being made to the mobilehome park or their tenancy in the park. Specifically, mobilehome park management must provide residents with a copy of the MRL with their rental agreement and on an annual basis whenever the MRL is changed (Civ. Code § 798.15), must notify residents at least 90 days before an increase in rent (Civ. Code § 798.30), and must provide residents notices whenever management intends to amend the park's rules and regulations (Civ. Code § 798.25). Mobilehome park management must also notify residents regarding the zoning and use permit for the park that permits the park to operate, and of any changes to that permit (Civ. Code § 798.27). If the mobilehome park management intends to evict a resident, it must provide the resident 60 days' notice. (Civ. Code § 798.55.) The MRL specifically proscribes how these notices are delivered in order to ensure that residents actually receive them in a timely manner. If the specific provision requiring notice does not specify how the notice is to be delivered, the MRL generally requires the notice to be delivered either in-person or by United States mail, postage prepaid, to the resident's mobilehome. (Civ. Code § 798.14.)

One other notice that the MRL requires is notice to residents of any interruption in a utility service of more than two hours for the maintenance, repair, or replacement of facilities of utility systems over which the park has control, if the interruption is not due to an emergency. (Civ. Code § 798.42.) Prior to this year, this notice was required to be posted in writing affixed to the mobilehomes of all affected homeowners and residents at least 72 hours before the interruption. However, in 2024, the Legislature passed AB 661 (Patterson, Ch. 23, Stats. 2024) to allow this notice be provided to a mobilehome resident electronically, with the voluntary, written consent of the resident. For the purposes of those provisions, "voluntary, written consent" is defined as "written consent obtained separately from, and not contained in, any lease or rental agreement" that may be revoked in writing at any time. (Civ. Code § 798.42(c)(3).)

4. <u>AB 391 permits mobilehome residents to elect to receive notices and documents</u> <u>electronically</u>

AB 391 similarly allows for notices under the MRL to be provided electronically. However, unlike AB 661, AB 391 would permit for any notice required under the MRL, except for specified notices, to be provided electronically. Excluded notices are those related to the termination of a resident's tenancy in the park, when a mobilehome within the park has been abandoned, and the mobilehome park management's request that a particular mobilehome be removed from the park under specified circumstances. AB 391 also would require that the mobilehome owner or resident first provide voluntary, written consent, as defined by AB 661's provisions, to receive notice in the electronic form to which they consented.

The notices affected by AB 391 ensure a resident is aware of any changes within the park or to their tenancy, and thus are essential notices for protecting their interests and investment in their mobilehome. Without proper notice, a mobilehome resident may

become subject to new park rules without their knowledge or ability to voice their input, may become subject to a rent increase without advance warning, and may not become aware that the park's permit to operate has changed or expired. Because of this and the risk that improper notice could significantly inhibit a resident's ability to protect their interests and mobilehome, the MRL generally has so far required these notices to be provided in person, by mail, or through posting on the mobilehome.

AB 391 would permit these notices to be provided electronically, which could risk weakening these notice requirements and the protections they provide. To overcome this risk, AB 391 provides that such electronic notices may only be provided if the notified mobilehome resident provides written consent. A resident may revoke this consent at any time. By requiring consent, AB 391 helps ensure that the resident is aware that they will receive these notices electronically, and that they actually wish to receive them electronically. If a resident does not provide their consent, they will continue to receive the notices through the method otherwise required under the MRL. While this may not ensure that residents do not miss important notices delivered to them electronically, it provides some guarantee that electronic notices are only provided to those who are able and wish to receive them.

5. Enforcement

The California Department of Housing and Community Development (HCD) is the agency that oversees a variety of areas of the MRL, including health and safety standards, the registration and titling of mobilehomes and parks, the inspections of parks for health and safety issues, and the issuance of permits to operate to mobilehome parks. HCD also houses the Mobilehome Ombudsman, who assists the public with questions or issues related to various aspects of mobilehome law. The Mobilehome Residency Law Protection Program (MRLPP), which was created in 2018 to help mobilehome park residents better resolve issues and violations of the MRL, requires HCD to receive complaints from mobilehome park residents regarding violations of the MRL and refer certain, meritorious complaints to a legal services provider or appropriate enforcement agency.

However, neither HCD nor the ombudsman have enforcement authority for the MRL, and cannot provide legal advice or arbitrate or mediate park disputes. Thus, residents and mobilehome owners generally must go to court over a violation of the MRL. Accordingly, the MRL and the provisions amended by AB 391 are enforced by a mobilehome owner or resident through a civil cause of action.

6. <u>Amendments</u>

The author has agreed to accept amendments that narrow the bill's applicability only to notices required to be provided before February 1 each year, will strengthen the requirements for a mobilehome owner or resident's consent, and will ensure that a

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mobilehome owner or resident is aware that they will not receive notices by mail and that they can revoke their consent at any time. A full mock-up of the amendment is attached at the end of this analysis.

SUPPORT

Western Manufactured Housing Communities Association

OPPOSITION

None received

RELATED LEGISLATION

Pending Legislation:

SB 610 (Wahab, 2025) makes various changes to landlord-tenant law, the Mobilehome Residency Law regarding mobilehome parks, and to the Subdivision Map Act to provide additional protections to tenants and mobilehome owners during or related to disasters, including by providing mobilehome owners a right to return to the mobilehome park after a disaster. SB 610 is currently pending in the Assembly.

SB 749 (Allen, 2025) makes changes to the process by which a mobilehome park may change the use of the mobilehome park and terminate a mobilehome owner's residency to do so, and amends the process by which a mobilehome park must offer a previous mobilehome owner a renewed tenancy in a mobilehome park that is rebuilt after being destroyed by a disaster. SB 749 is currently pending in the Assembly Housing and Community Development Committee.

AB 456 (Connolly, 2025) amends the requirements relating to the sale or transfer of a mobilehome that will remain in the park, and provides that, if mobilehome park management fails or refuses to notify sellers or prospective purchasers of specified information, certain rights for park management to require repairs or improvements to the mobilehome or to approve tenancy applications of prospective purchasers are waived. AB 456 is currently pending referral in the Senate Rules Committee.

Prior Legislation:

AB 661 (Patterson, Ch. 23, Stats. 2024) permitted mobilehome park management to provide advance notice of certain interruptions in utility service to homeowners or residents by electronic communication, with their voluntary, written consent.

AB 978 (Quirk-Silva, Ch. 125, Stats. 2021) limited mobilehome parks located in, and governed by, more than one incorporated city from increasing the space rent that

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mobilehome owners must pay by more than three percent plus inflation, up to a maximum cap of five percent, annually. AB 978 also extended to tenants renting parkowned mobilehomes the same protections against arbitrary eviction and rent-gouging that tenants in other types of residential rental housing possess.

AB 2150 (Atkins , Ch. 478, Stats. 2012) provided that all notices required by the MRL to be delivered to a mobilehome owner or resident before February 1st of each year may be combined in one notice, and added a new notice of a mobilehome owner's rights and obligations that must be included in the rental agreement and provided prior to February 1st every year.

PRIOR VOTES:

Assembly Floor (Ayes 69, Noes 0) Assembly Housing and Community Development Committee (Ayes 12, Noes 0) Amendments Mock-up for 2025-2026 AB-391 (Michelle Rodriguez (A))

(Amendments may be subject to technical changes by Legislative Counsel)

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

SECTION 1. Section 798.14 of the Civil Code is amended to read:

798.14.

(a) For the purposes of this section, the following definitions apply: (1) "Voluntary, written consent" has the same meaning as that term is defined in Section 798.42.

(a) For the purposes of this section, "affirmative written consent" means express written consent obtained separately from, and not contained in, any lease or rental agreement and that is not a condition of the tenancy.

(2) (b) Unless otherwise provided, all notices required by this chapter shall be <u>either</u> delivered personally to *either* the homeowner or <u>and</u> *resident*, deposited in the United States mail, postage prepaid, addressed to the homeowner or <u>and</u> *resident at their* site within the mobilehome *park*, *or*, *except for the notices described in Sections 798.55, 798.56, 798.61, and 798.73, delivered to the homeowner or resident by electronic communication in a form to which the homeowner or resident has expressly and affirmatively provided their voluntary, written consent.*

(3) (c) All notices required by this chapter 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, and may be delivered to the homeowner and resident by electronic mail if the homeowner or resident has provided affirmative written consent that clearly and conspicuously states that the homeowner or resident agrees to receive notices by electronic mail and includes the address to which the notices may be sent.

(d) A homeowner or resident's affirmative written consent to receive notices by electronic mail may be revoked by the homeowner or resident at any time, without any fee, charge, or penalty and without any impact on the terms of the homeowner or resident's tenancy. A homeowner or resident's revocation shall be honored so long as it is in writing and indicates the intention of the homeowner or resident to no longer receive notices by electronic mail.

(e) (1) All management who obtains the affirmative written consent of a homeowner or resident to receive notices by electronic mail shall within 5 days deliver personally or by mail to each homeowner or resident who gives consent the following notice in English and any language set forth in subdivision (b) of Section 1632 used as the primary language during the negotiation of the rental agreement in a clear and conspicuous manner in at least 10-point Arial equivalent type: "You have agreed to receive only electronic copies of notices that your mobilehome park management is required to send you by law. This means that you may not receive important notices on your door or in the mail. You may revoke this agreement, without any penalty or obligation, at any time. To revoke this agreement, send a written notice to your management that states that you no longer agree to receive electronic notices.

(2) The notice described in subdivision (e)(1) shall include the name and address of the entity to whom the homeowner or resident may deliver revocation of affirmative written consent.