Office of Senate Floor Analyses
(916) 651-4171

THIRD READING

Bill No: AB 1128
Author: Muratsuchi (D) and Quirk-Silva (D)
Amended: 6/10/26 in Senate
Vote: 21

SENATE JUDICIARY COMMITTEE: 8-2, 6/30/26
AYES: Umberg, Allen, Caballero, Reyes, Stern, Wahab, Weber Pierson, Wiener
NOES: Niello, Valladares
NO VOTE RECORDED: Ashby, Durazo, Laird

ASSEMBLY FLOOR: 79-0, 6/2/25 - See last page for vote

SUBJECT: Mobilehome parks: rent caps

SOURCE: Mobile Home Residents Association

DIGEST: This bill prohibits the management of a mobilehome park from increasing the gross rental rate for a mobilehome park tenancy over any 12-month period by more than three percent plus the percentage change in the cost of living, up to five percent.

ANALYSIS:

Existing law:

1) Establishes the Mobilehome Residency Law (MRL), which regulates the rights, responsibilities, obligations, and relationships between mobilehome park management and park residents. (Civil (Civ.) Code §§ 798 et seq.)

2) Requires mobilehome rental agreements to be in writing and to include certain information including the length of the tenancy, the rent, and the rules and regulations of the park. (Civ. Code §§ 798.15 et seq.)

3) Requires park management to provide a homeowner written notice of any increase in rent at least 90 days before the increase takes effect. (Civ. Code § 798.30.)

4) Prohibits a mobilehome park management from, over the course of any 12-month period, increasing the gross rental rate for a tenancy in the mobilehome park by more than three percent plus the percentage change in the cost of living, or five percent, whichever is lower, of the lowest gross rental rate charged in the past 12 months. (Civ. Code § 798.30.5.)

5) Permits, for a tenancy in which no homeowner from the prior tenancy remains in lawful possession of the mobilehome space, mobilehome park management to establish the initial rental rate for the space, unless a local agency or jurisdiction has adopted an ordinance, rule, regulation, or initiative measure that limits the allowable rental rate for a new tenancy. (Civ. Code § 798.30.5.)

6) Exempts from the provisions described in (4) and (5) a mobilehome space restricted by deed, regulatory restriction, or other recorded document as affordable housing, a mobilehome space constructed and maintained in connection with any higher education institution, a mobilehome space subject to any ordinance, rule, regulation, or initiative measure that restricts annual rent increases to a greater amount, and a mobilehome space within a resident-owned mobilehome park. (Civ. Code § 798.30.5(e).)

7) Limits the applicability of (4) through (6) to qualified mobilehome parks, defined as a mobilehome park that is located within and governed by the jurisdictions of two or more incorporated cities.

8) Sunsets the provisions described in (4) through (6) on January 1, 2030.

This bill:

1) Removes the limitation of the application of (4) through (6), above, to only those mobilehome parks located within and governed by the jurisdictions of two or more incorporated cities, thereby expanding those provisions statewide.

2) Specifies that the rent caps described in (4) and (5), above, apply to all rent increases of a mobilehome park occurring on or after January 5, 2026. Specifies that, for any rent increases above the permissible amount between January 5, 2026 and January 1, 2027, the applicable rent on January 1, 2027 must be the

rent as of January 5, 2026, plus the maximum permissible increase. Specifies that management shall not be liable to a homeowner for any corresponding rent overpayment.

3) Permits the management of a mobilehome park that increased the rental rate for a tenancy on or after January 5, 2026 and before January 1, 2027 by an amount less than the maximum amount, to increase rent twice within 12 months of January 5, 2026, but to no more than the maximum rental rate increase.

4) Extends the sunset for these provisions from January 1, 2030, to January 1, 2036.

FISCAL EFFECT: Appropriation: No Fiscal Com.: No Local: No

SUPPORT: (Verified 7/24/26)

Mobile Home Residents Association (source)
Access Reproductive Justice
ACT -LA
Alliance of Californians for Community Empowerment (ACCE Action)
Bayside Village Homeowners Association
California Coalition for Rural Housing
California Community Land Trust Network
California Community Land Trust Office
California Rural Legal Assistance Foundation
Center for Community Action and Environmental Justice (CCAEJ)
Coalition to Protect Manufactured Home Communities
Council of Community Housing Organizations
County of Los Angeles
Courage California
Del Mar Estates Home Owners Alliance
East Bay Housing Organizations
East Contra Costa Community Leaders Network
Friends Committee on Legislation of California
Health in Partnership
Housing California
Housing Justice As Health Equity Collaborative
Housing Now!
Housing Rights Committee of San Francisco
Huntington Shorecliffs Association
Inland Equity Community Land Trusts

Kennedy Commission
Legal Aid of Sonoma County
Long Beach Forward
Long Beach Residents Empowered
Monterey County Renters United
Mountain Homeless Coalition
Noho Home Alliance
Oakland Tenants Union
Office of Congressman Mike Thompson
Pacifica Housing 4 All
Pacifica Social Justice
Parable of the Sower Intentional Community Cooperative
Public Law Center
Resilience Orange County
Skyline Mobile Home Park Hoa
South Bay Community Land Trust
Starting Over, Inc.
Strategic Actions for a Just Economy (SAJE)
Tenants Together
Tenants United Anaheim
Thai Community Development Center
Urban Habitat
Working Partnerships USA

OPPOSITION: (Verified 7/24/26)

Apartment Association of Greater Los Angeles
California Association of Realtors
California Mobilehome Parkowners Alliance
California Rental Housing Association
Golden State Manufactured-home Owners League
Western Manufactured Housing Communities Association

ARGUMENTS IN SUPPORT:

According to the Mobilehome Resident Coalition, which is the sponsor of AB 1128:

> As introduced in June 2026, AB 1128 takes a necessary step forward by expanding rent cap protections to all California manufactured/mobile home communities unless they already have local rent control protections that offer

> more favorable rent increase caps. The bill also exempts mobilehome resident-owned communities because they set their own rents.
>
> Many of our members are seniors on fixed incomes, veterans, people with disabilities, and working families who cannot afford the steep, arbitrary rent increases imposed by corporate park owners. By capping annual gross rental rate increases to the lower of 5% or 3% plus the percentage change in the cost of living, AB 1128 provides the housing stability necessary to prevent displacement and homelessness.

ARGUMENTS IN OPPOSITION:

According to the California Association of Realtors and a number of other groups that oppose AB 1128:

> AB 1128 fails to align with the rent-increase caps for apartments as determined by AB 1482 (Chiu), which allows annual increases of 5% plus an inflation adjustment of up to 10%. Without explanation, AB 1128 imposes a far lower cap of 3% plus an inflation adjustment of only up to 5%, unfairly discriminating against all mobilehome parks in the state. Mobilehome parks are a critical part of California's rental housing inventory and deserve equal treatment, particularly as rising operating costs often exceed standard inflationary adjustments.
>
> Unlike traditional homes, whose value is tied to land, mobilehomes are depreciating assets that lose value over time and eventually require replacement. Rent caps, while intended to protect residents, can perversely increase the sale prices of the homes themselves. In non-rent-controlled areas, identical mobilehomes often sell for roughly $100,000, while in rent-controlled parks, prices can exceed $400,000. This distortion disproportionately harms low- and moderate-income families who must pay inflated prices or secure loans above the home’s actual value, reducing overall affordability. Overly restrictive caps lock both buyers and sellers into an unsustainable system, discouraging investment in maintenance and improvements, and ultimately making housing less attainable for those who need it most.
>
> We, the signers of this letter, recognize the need to address rising costs, but rent control is a convenient band-aid over deeper structural issues. Mobilehome park rents are driven by real factors such as skyrocketing insurance costs, litigation over unforeseen service disruptions, rising labor expenses, and higher property taxes. Imposing a 3% to 5% cap without any mechanism to account for capital

improvements or essential expenditures and a reasonable rate of return, proper consideration of prior Executive Orders and local ordinances imposing rent freezes during emergencies, or parks operating with long term lease agreements with limited rent increases places owners under financial stress and threatens the long-term viability of these communities. Simply put, without procedural safeguards, AB 1543 punishes investment, imperils housing quality, and undermines the very affordability it claims to protect.

According to the Golden State Manufactured-home Owners League, which is also opposed to AB 1128:

> Unlike traditional renters, many mobilehome residents have mortgages, and all mobilehome residents are responsible for paying for home maintenance required by the state Mobilehome Park Maintenance Program, which oversees health and safety standards.
>
> In addition to paying a base rent and a mortgage, many mobilehome leases also include annual pass-through provisions for insurance, capital improvements, government-related expenses, uninsured losses, "market catch-up" increases which take effect near the end of the lease term, and resale increases.
>
> These all reflect dollar amounts and money that must be paid by mobilehome residents who are already on fixed and very low or modest incomes.
>
> AB 1128, as amended, will increase rents. Even a one percentage point rental adjustment may not seem much, but living on small dollars makes us vulnerable to small margins.
>
> And amending the bill to apply solely to the City of Torrance will unleash a torrent of commas … one comma at a time …. One more city at a time … one after another. You will erode the 1996 vote of Californians, and raise rents for more people than not. The Legislature can give us assurances, but many of them won't be here when we suffer the consequences.
>
> As a result, we request the bill:
> 1. Reflect a .75% of CPI, but not more than 3% of the annual base rent, which are percentages and numbers established across local mobilehome ordinances;
> 2. Reflect vacancy control ensuring affordability for mobilehomes, which is also established across local mobilehome ordinances;

3. Include an arbitration process at the expense of the park owners who seek to challenge a fair rate of return, and which has been established across local mobilehome ordinances.

ASSEMBLY FLOOR: 79-0, 6/2/25
AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

Prepared by: Ian Dougherty / JUD. / (916) 651-4113
7/30/26 14:49:17

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