

AMENDED IN ASSEMBLY APRIL 18, 2007

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

ASSEMBLY BILL

No. 1234

Introduced by Assembly Member Wolk

February 23, 2007

An act to amend Section 1941.1 of, and to add Article 1.9 (commencing with Section 1103.50) to Chapter 2 of Title 4 of Part 4 of Division 2 of, the Civil Code, and to add Section 382.5 to the Public Utilities Code, relating to real property.

LEGISLATIVE COUNSEL'S DIGEST

AB 1234, as amended, Wolk. Real property: furnaces.

(1) Existing law requires specified written disclosures to be made to prospective transferees of real property and a waiver of these provisions is declared void as a violation of public policy. *Existing law provides that if a person rents or leases a dwelling unit located in this state, a dwelling shall be deemed untenable if the dwelling substantially lacks specified affirmative standard characteristics, including, but not limited to, effective waterproofing, plumbing, or gas facilities, and heating facilities that conformed with applicable law at the time of installation.*

This bill would provide that it is the policy of the State of California that old floor furnaces, as defined, be replaced in all dwellings in California. The bill would also provide that on and after January 1, 2014, an old floor furnace or any unvented furnace or heating facility located in the floor of the dwelling shall not be considered as conforming to applicable law.

~~This bill would require the transferor of real property to disclose to a prospective transferee whether a residential dwelling unit has a floor furnace, old floor furnace, or old wall furnace, as specified. The bill~~

~~would provide that if a residential dwelling unit has an old floor furnace or old wall furnace, that old floor furnace or old wall furnace shall be replaced. The bill would also provide that a residential dwelling unit shall not be transferred unless these provisions have been met. The bill would further provide that a waiver of these provisions is declared void as a violation of public policy.~~

(2) Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including, but not limited to, electrical corporations and gas corporations, as defined. Existing law requires the commission to establish a program of assistance to low-income electric and gas customers, referred to as the California Alternate Rates for Energy (CARE) program. Existing law also establishes the Low-Income Oversight Board for the purpose of advising the commission on low-income electric and gas customer issues and serving as a liaison for the commission to low-income ratepayers and representatives. Under existing law, a violation of the Public Utilities Act or an order or direction of the Public Utilities Commission is a crime.

This bill would require the Public Utilities Commission, in consultation with the Low-Income Oversight Board and the gas corporations or electrical corporations that participate in the CARE program, to establish a program to replace old gas furnaces, as defined, in residential dwelling units occupied by customers eligible for the CARE program, as specified. The bill would provide that the furnace replacement program shall go into effect on July 1, 2008, and continue until December 31, 2013. The bill would further provide that the furnace replacement program shall be in addition to all other specified programs of assistance for low-income customers. The bill would provide that the costs to adopt and implement the furnace replacement program shall be recovered by the commission, as specified. Because a violation of an order or decision of the commission implementing the requirements of the bill would be a crime, the bill would impose a state-mandated local program.

(3) This bill would make related findings and declarations by the Legislature.

(4) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

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

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

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) The efficiency of new gas furnaces that heat residential
4 dwelling units has improved by an average of 25 percent since
5 1975, due in part to the implementation of appliance efficiency
6 standards that began in 1978.

7 (b) The improvements in the efficiency of ~~gas furnaces and floor~~
8 ~~heaters~~ *gas floor and wall furnaces* have been accompanied by
9 safety improvements that reduce emissions of carbon monoxide
10 and other harmful air pollutants that endanger public health.

11 (c) California has a large number of residential dwelling units
12 that are more than 30 years old and have ~~gas furnaces and floor~~
13 ~~heaters~~ *gas floor and wall furnaces* that predate the improvements
14 in furnace efficiency and safety.

15 (d) Residential dwellings with ~~floor heaters~~ *old gas floor*
16 *furnaces* that lack vents or flues ~~may pose fire of~~ *and pose potential*
17 *fire or* other safety hazards that make the disclosure of these floor
18 heaters a matter of public interest.

19 (e) It is a matter of public interest to promote the replacement
20 of old and inefficient *gas floor and wall* furnaces lacking safety
21 features with new furnaces that are safer and more energy efficient.

22 SEC. 2. Article 1.9 (commencing with Section 1103.50) is
23 added to Chapter 2 of Title 4 of Part 4 of Division 2 of the Civil
24 Code, to read:

25
26 Article 1.9. ~~Disclosure and Replacement of Old Floor Furnaces~~
27 ~~Upon Transfer of Residential Dwelling Units in Dwelling Units~~
28

29 1103.50. For purposes of this article, the following definitions
30 shall apply:

31 (a) "Floor furnace" means a floor furnace as described in Section
32 1602(e) of Title 20 of the California Code of Regulations.

33 (b) ~~"Installment land sale contract"~~ means a real property sales
34 ~~contract defined in Section 2985.~~

35 (e)

1 (b) “Old floor furnace” means a floor furnace that is more than
2 30 years old.

3 ~~(d)~~

4 (c) “Old wall furnace” means a wall furnace as described in
5 Section 1602(e) of Title 20 of the California Code of Regulations
6 that is more than 30 years old.

7 ~~1103.51. (a) This article applies to a transfer by sale, exchange,
8 installment land sale contract, lease with an option to purchase,
9 any other option to purchase, or ground lease coupled with
10 improvements of real property or residential stock cooperative
11 improved with or consisting of one or more residential dwelling
12 units.~~

13 ~~(b) Any waiver of the requirements of this article is void as
14 against public policy.~~

15 ~~1103.52. A residential dwelling unit subject to this article shall
16 not be transferred unless the disclosure and replacement
17 requirements described in Section 1103.53 are met.~~

18 ~~1103.53. (a) The transferor of a residential dwelling unit
19 subject to this article shall deliver to the prospective transferee a
20 written statement disclosing whether the residential dwelling unit
21 has any of the following:~~

- 22 ~~(1) A floor furnace.~~
- 23 ~~(2) An old floor furnace.~~
- 24 ~~(3) An old wall furnace.~~

25 ~~(b) If there is an old floor furnace or old wall furnace in the
26 residential dwelling unit, that old floor furnace or old wall furnace
27 shall be replaced.~~

28 ~~1103.51. It is the policy of the State of California that old floor
29 furnaces shall be replaced in all dwellings in California.~~

30 ~~SEC. 3. Section 1941.1 of the Civil Code is amended to read:~~

31 ~~1941.1. A dwelling shall be deemed untenable for purposes
32 of Section 1941 if it substantially lacks any of the following
33 affirmative standard characteristics or is a residential unit described
34 in Section 17920.3 or 17920.10 of the Health and Safety Code:~~

35 ~~(a) Effective waterproofing and weather protection of roof and
36 exterior walls, including unbroken windows and doors.~~

37 ~~(b) Plumbing or gas facilities that conformed to applicable law
38 in effect at the time of installation, maintained in good working
39 order.~~

1 (c) A water supply approved under applicable law that is under
2 the control of the tenant, capable of producing hot and cold running
3 water, or a system that is under the control of the landlord, that
4 produces hot and cold running water, furnished to appropriate
5 fixtures, and connected to a sewage disposal system approved
6 under applicable law.

7 (d) Heating facilities that conformed with applicable law at the
8 time of installation, maintained in good working order. *On and*
9 *after January 1, 2014, an old floor furnace as defined in*
10 *subdivision (b) of Section 1103.50 or any unvented furnace or*
11 *heating facility located in the floor of the dwelling shall not be*
12 *considered as conforming to applicable law.*

13 (e) Electrical lighting, with wiring and electrical equipment that
14 conformed with applicable law at the time of installation,
15 maintained in good working order.

16 (f) Building, grounds, and appurtenances at the time of the
17 commencement of the lease or rental agreement, and all areas
18 under control of the landlord, kept in every part clean, sanitary,
19 and free from all accumulations of debris, filth, rubbish, garbage,
20 rodents, and vermin.

21 (g) An adequate number of appropriate receptacles for garbage
22 and rubbish, in clean condition and good repair at the time of the
23 commencement of the lease or rental agreement, with the landlord
24 providing appropriate serviceable receptacles thereafter and being
25 responsible for the clean condition and good repair of the
26 receptacles under his or her control.

27 (h) Floors, stairways, and railings maintained in good repair.

28 ~~SEC. 3.~~

29 *SEC. 4.* Section 382.5 is added to the Public Utilities Code, to
30 read:

31 382.5. (a) For purposes of this section, the following
32 definitions shall apply:

33 (1) “Old gas furnace” means an old floor furnace or old wall
34 furnace as described in Section 1103.50 of the Civil Code.

35 (2) “Residential dwelling unit” means a detached home,
36 mobilehome, manufactured home, or a unit in a multifamily
37 structure occupied by either the owner or a tenant.

38 (b) The commission, in consultation with the Low-Income
39 Oversight Board and the gas corporations or electrical corporations
40 that participate in the California Alternate Rates for Energy

1 (CARE) program, shall establish a program to take effect on July
 2 1, 2008, and to continue to December 31, 2013, inclusive, to
 3 replace old gas furnaces in residential dwelling units occupied by
 4 customers eligible for the CARE program. This furnace
 5 replacement program shall initially provide financial support for
 6 ~~replacing old gas furnaces when the residential dwelling unit is~~
 7 ~~sold or transferred.~~ *replacing all eligible old gas floor furnaces by*
 8 *December 31, 2013. Whenever feasible, old gas floor furnaces*
 9 *shall be replaced by an appliance other than a gas floor heater.*

10 (c) The furnace replacement program described in this section
 11 shall be in addition to all other programs of assistance for
 12 low-income customers established by the commission and
 13 administered by an electrical or gas corporation or third-party
 14 administrator pursuant to Sections 381, 381.1, 382, 382.1, 739.1,
 15 and 2790.

16 (d) The costs of the program adopted and implemented pursuant
 17 to this section shall be recovered pursuant to Sections 381 and
 18 890.

19 ~~SEC. 4.~~

20 *SEC. 5.* No reimbursement is required by this act pursuant to
 21 Section 6 of Article XIII B of the California Constitution because
 22 the only costs that may be incurred by a local agency or school
 23 district will be incurred because this act creates a new crime or
 24 infraction, eliminates a crime or infraction, or changes the penalty
 25 for a crime or infraction, within the meaning of Section 17556 of
 26 the Government Code, or changes the definition of a crime within
 27 the meaning of Section 6 of Article XIII B of the California
 28 Constitution.