

NOTICE OF PROPOSED RULEMAKING

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT CALIFORNIA CODE OF REGULATIONS, TITLE 25, DIVISION 1, CHAPTER 4, SUBCHAPTER 1

NOTICE IS HEREBY GIVEN that the California Department of Housing and Community Development (HCD) proposes to amend existing regulations and adopt new regulations governing the Occupational Licensing (OL) program.

AUTHORITY AND REFERENCE

Health and Safety Code (HSC) Sections 18000, 18015 and 18031 grant HCD the authority to adopt regulations pertaining to the manufacture and sale or use of manufactured homes, multifamily manufactured homes, mobilehomes and commercial modulars within the State of California, the issuing of occupational licenses, enforcing licensee education requirements and the establishment of a fee schedule governing the OL Program.

These regulations implement, interpret and make specific HSC Sections 18001.8, 18008.7, 18015, 18031, 18045, 18045.5, 18045.6, 18050, 18050.5, 18050.7, 18052.6, 18052.7, 18053.5 and 18056.

INFORMATIVE DIGEST

Summary of Existing Laws

The Manufactured Housing Act of 1980 commencing with HSC Section 18000 governs the construction, registration and titling and occupational licensing of manufactured homes, multifamily manufactured homes, mobilehomes and commercial modulars for sale or use within the State of California.

Summary of Existing Regulations

The OL program consists of five elements: licensing, consumer complaint handling, preliminary and continuing education, enforcement and the Manufactured Home Recovery Fund. The OL program licenses and approves manufactured home, multifamily manufactured home and commercial modular manufacturers, dealers, salespersons, 90-day Certificate holders, course providers and course instructors. The program is responsible for examinations, forms, procedures, policy, rulemaking and legislation involving the above five elements.

In order to implement, interpret, clarify and otherwise carry-out state law, regulations are promulgated by HCD. The OL program regulation requirements for businesses and the manufacturing, selling or leasing of manufactured homes, multifamily manufactured homes, mobilehomes and commercial modulars are contained in the California Code of Regulations (CCR), Title 25, Division 1, Chapter 4, Subchapter 1.

Summary of Effect of Proposed Regulatory Action

HCD proposes to amend Section 5002 by adding additional definitions in order to clarify and make specific statutory and regulatory references relating to all dealer and manufacturer licenses.

HCD proposes to amend Section 5010 to clarify that all in-state and out-of-state ABLs for licensed manufacturers are subject to California Manufactured Housing licensing laws and regulations, including license and renewal fees. The proposed language amendments remove any conflict with HSC Section 18045, which requires any person acting as a licensee within the State of California to have a license or temporary permit.

HCD proposes to amend Section 5040 to clarify that the fees for an original manufacturer or dealer license also apply to new additional business locations and to a change of a main business location.

In addition, amendments are made to correct typographical errors, syntax, grammar and punctuation.

Summary of Sections Affected

The specific sections of CCR, Title 25, Division 1, Chapter 4, Subchapter 1 to be amended are Sections 5002, 5010 and 5040.

Comparable Federal Statutes or Regulations

None.

Policy Statement Overview

The OL program licenses and approves manufactured home, multifamily manufactured home, mobilehome and commercial modular manufacturers, dealers, salespersons, 90-day Certificate holders, course providers, course instructors and courses. The program is responsible for examinations, forms, procedures, policy, rulemaking, and legislation involving any of its elements.

HCD is proposing to amend regulation Sections 5002, 5010 and 5040 within the CCR, Title 25 related to the Health and Safety Code Sections 18000 through 18153.

Disclosures Regarding the Proposed Action

HCD has made the following initial determinations:

- Mandate on local agencies and school districts: NONE.
- Costs or savings to any state agencies: NONE.
- Costs or savings to local agencies or school districts which must be reimbursed in accordance with Part 7 (commencing with Section 17500) of Division 4 of the Government Code: NONE.
- Other nondiscretionary costs or savings imposed on local agencies: NONE.
- Costs or savings in federal funding to the State: NONE.
- Significant effect on housing costs: NONE.

Business Impact Statement

HCD has made an initial determination that the proposed regulatory action will not have a significant statewide adverse economic impact directly affecting California businesses, including the ability of California businesses to compete with businesses in other states. Fees have always been collected for each business location. This regulatory proposal provides clarity as to which location is the "main" business location and which location is the "secondary" business location.

Small Business Impact Statement

HCD has made an initial determination that small businesses will not be affected by this regulatory action. The license fee for additional business locations has always been collected for existing licensed manufacturers and dealers.

Cost Impact on Representative Private Person(s) or Business(es)

The HCD is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

Assessment of Effect of Regulations Upon Jobs and Business Expansion, Elimination or Creation

HCD has initially assessed whether or not, and to what extent, this proposal will affect the following:

- **The creation or elimination of jobs within the State of California.**
These regulations will not affect the creation, or cause the elimination, of jobs within the State of California.
- **The creation of new businesses or the elimination of existing businesses within the State of California.**
These regulations will not affect the creation or the elimination of existing business within the State of California.
- **The expansion of businesses currently doing business within the State of California.**
These regulations will not affect the expansion of businesses currently doing business within the State of California.

Consideration of Alternatives

HCD has determined that there are no reasonable alternatives or other options that has been identified and brought to the attention of HCD that will be more effective in carrying out the purpose for which this regulatory action is proposed. HCD is unaware of any alternative that will be as effective as and less burdensome to affected private persons than the proposed action.

WRITTEN COMMENT PERIOD

Any interested person, or his or her authorized representative, may submit written comments relevant to the proposed regulatory action to HCD. All written comments must be received at this office **no later than 5:00 p.m. on January 17, 2011**, in order to be considered.

Written comments may be submitted by regular mail, electronic mail (e-mail), facsimile transmission or hand-delivery as follows:

By mail to: Department of Housing and Community Development
Division of Codes and Standards
P. O. Box 1407
Sacramento, CA 95812-1407
ATTN: Keisha Wickham

By e-mail to: kwickham@hcd.ca.gov

By facsimile to: (916) 327-4712
ATTN: Keisha Wickham

By hand-delivery to: HCD – Headquarters
1800 3rd Street, Room 260
Sacramento, CA 95811
ATTN: Keisha Wickham or Mike Salanoa

