

**NOTICE OF AVAILABILITY OF MODIFIED TEXT
FOR PROPOSED REGULATIONS OF THE
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
REGARDING REGISTRATION AND TITLING PROGRAM
CALIFORNIA CODE OF REGULATIONS
TITLE 25, DIVISION 1, CHAPTER 5, ARTICLE 3.5
June 21, 2017**

Notice is hereby given that the Department of Housing and Community Development (Department) proposes modifications to specific text of the regulations contained in Chapter 5 of (commencing with Section 5535) Title 25 of the California Code of Regulations (CCR).

A Notice of Proposed Action pertaining to Registration and Titling Program was mailed on April 21, 2017. A Public Hearing was held on June 5, 2017, and written comments were received until 5:00 p.m. on June 5, 2017. As a result of public comments received, and additional information and recommendations from Department staff, the Department is proposing modifications to the originally proposed text.

SUBMISSION OF WRITTEN COMMENTS

Written comments on the proposed modifications will only be accepted by the Department of Housing and Community Development during a **15-day written comment period** beginning June 28, 2017 and ending at 5:00 p.m. on July 13, 2017.

By mail to: Department of Housing and Community Development
Division of Codes and Standards
P.O. Box 1407
Sacramento, CA 95812-1407
Attention: AB 587 – Registration and Titling Program

By e-mail to: ruth.ibarra@hcd.ca.gov

By facsimile to: (916) 263-4712 ATTN: AB 587 – Registration and Titling Program

In person: Department of Housing and Community Development
2020 W. El Camino, Room 200
Sacramento, CA 95833

Comments submitted via e-mail or facsimile must be submitted during the 15-day comment period ending at 5:00 p.m. on July 13, 2017.

SUMMARY OF MODIFICATIONS

The following provides a summary of the proposed modifications. A copy of the full text of these changes follows the summary in this notice and is also available on the website address listed below. Please note, the Department's review of written comments during this additional 15-day comment period, is limited to the modifications of the originally-proposed text. The comments received during the 15-day comment period will be

summarized and responded to by the Department in its Final Statement of Reasons. A copy of the Final Statement of Reasons will be included in the Department's record of this rulemaking, posted on the Department's website and available for review at the Department's headquarters' address, noted above.

Summary of 15-Day Modification to Express Terms

- **Amend Subsection 5535(a)** In order to clarify the concerns brought forward during public comment, the first subsection has been separated into two sentences and the reference to “this Article and the Fee and Tax Waiver Program” was moved to directly modify “satisfaction of”. In addition, the reference to “ownership” was replaced by “an ownership interest” because “ownership” cannot exist without registration pursuant to Chapter 5; reference to “ownership” otherwise would be inconsistent with this Chapter and this Article. Grammatical changes were made.
- **Amend Subsection 5535(b)** In response to the public comments, this subsection was reverted to its original wording. Filing or submitting paperwork for a waiver does not necessarily mean the applicant completed the Fee and Tax Waiver Program process. “Previously filed for a waiver” prohibits an applicant to submit paperwork, cancelling, and subsequently submitting/completing waiver paperwork on the same unit once he/she is able to perform all the requirements including payment of taxes and fees not waived by the new law.
- **Add new Subsection 5535(g)(1)** In response to the public comments, a definition for the Fee and Tax Waiver Program was added to clarify and to identify the name of the program. The language references the statutory subdivision, which created this Program.
- **Amend Subsection 5535(g)(2)** The term “in lieu tax” was replaced by “annual renewal” fees. “In lieu tax” is just one fee that is included in the annual renewal fees prescribed by Chapter 5. All of the fees in the annual renewal fee are defined in the next subsection.
- **Add new Subsection 5535(g)(3)** In response to public comments, the definition of “annual renewal fees” was added to clarify what fees are charged. This includes references to the regulatory as well as statutory fees and penalty fees. “Where applicable” is necessary to the definition, for example, the “Mobilehome Park Rehabilitation and Resident Ownership Program fee” is not charged when the applicant's manufactured home is on private property rather than in a mobilehome park. It is not appropriate, without unnecessarily duplicating other provisions of Chapter 5, to list all of the statutory and regulatory code sections authorizing each such fee. This new program is an integral part of all of Chapter 5, and is implemented in conjunction with other applicable provisions of Chapter 5.
- **Amend Subsection 5535(g)(4)** The phrase “recording ownership” was added for clarification of the term registering.

- **Amend Subsection 5535(g)(5)** In response to public comments, for clarity “reproduction costs” is replaced by “photocopy fees”, the term used in Section 5660 of Chapter 5. The clause “which are applicable to the specific facts governing the registration of an applicant’s manufactured home or mobilehome” is added because it is necessary for the regulated public to understand that every “registration” is subject to the requirements of all of Chapter 5, and each “registration” has different requirements depending upon whether the applicant received the home as a purchaser, giftee, heir, etc.; whether the home meets statutory physical standards; and whether or not the home has bank liens, private loan liens, junior lienholders, and other liens of record. Different pre-registration requirements of Chapter 5 will apply based on all the facts related to the applicant’s acquisition as well as the status of the home itself, all of which can be explained by Registration and Titling Program staff once all the applicable information is provided.
- **Amend Subsection 5535.5(a)** The subsection was amended to delete the names of fees that were defined in Subsection 5535(g)(3) since the text is duplicative with the added definition. We believe that this change, along with the added definition, also responds to public comments about clarity.
- **Amend Subsection 5535.5(a)(1)(E)(3.)** In order to simplify the language, the program name was deleted and “in accordance with” this Article was added.
- **Amend Subsection 5535.5(a)(3)(A)** The specific reference to CCR 5660 was removed and changed to “Chapter 5”, the complete Registration and Titling Chapter, because not all regulatory fees currently are listed in CCR 5660. This is consistent with other changes discussed above because this article is merely one part of the entire set of regulations governing the registration and titling of manufactured homes and mobilehomes. The term “non-processing” was added to modify “fees” in order to clarify the types of fees still applicable.
- **Amend Subsection 5535.5(a)(3)(F)** The added language is to clarify, in response to public comments , that there may be requirements not related to the Fee and Tax Waiver Program. The clause, “not related to nonpayment or late payment of the department’s charges, fees and penalties related to registration and titling” but related instead to a transfer of a mobilehome that must be completed. An example provided in the current language is the smoke alarm and carbon monoxide alarm certification that is required in order to transfer a mobilehome, but not directly related to the fee and tax waiver program.
- **Amend Subsection 5536(a)(1)(E)(4.)** In order to simplify the language, the name of the program benefit was deleted and “in accordance with” to this Article was added.
- **Amend Subsection 5536(a)(4)(A)** The specific reference to CCR 5660 was removed and changed to “Chapter 5”, the complete Registration and Titling Chapter, because not all regulatory fees currently are listed in CCR 5660. This is

consistent with other changes discussed above because this article is merely one part of the entire set of regulations governing the registration and titling of manufactured homes and mobilehomes. The term “non-processing” was added to modify “fees” in order to clarify the types of fees still applicable.

- **Amend Subsection 5536(a)(4)(E)** The added language is to clarify, in response to the public comments, that there may be requirements not related to the Fee and Tax Waiver Program. The clause, “not related to nonpayment or late payment of the department’s charges, fees and penalties related to registration and titling” but related instead to a transfer of a mobilehome that must be completed. An example provided in the current language is the smoke alarm and carbon monoxide alarm certification that is required in order to transfer a mobilehome, but not directly related to the fee and tax waiver program.