

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF CODES AND STANDARDS**

9342 Tech Center Drive, Suite 500, Sacramento, CA 95826
P.O. Box 277820, Sacramento, CA 95827-7820
1-800-952-8356 / FAX (916) 263-3383
From TDD Phones 1-800-735-2929
www.hcd.ca.gov

**NOTICE OF PROPOSED ACTION****TITLE 25. CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY
DEVELOPMENT
(MOBILEHOME RESIDENCY LAW PROTECTION PROGRAM)**

NOTICE IS HEREBY GIVEN that the California Department of Housing and Community Development (HCD) proposes to adopt regulations governing the Mobilehome Residency Law Protection Program (MRLPP), which was established by the Mobilehome Residency Law Protection Act (MRLPA) (Health & Saf. Code, §§ 18800 – 18806, added by Stats. 2018, ch. 774, § 3.) These proposed regulations establish a process for allowing mobilehome park homeowners to register complaints with HCD regarding alleged violations of the Mobilehome Residency Law. Furthermore, it requires HCD to facilitate the resolution of these complaints, and, if appropriate, to refer complainants to its own Division of Codes and Standards, to other appropriate enforcement agencies, or to approved nonprofit legal services providers for possible enforcement action.

PUBLIC HEARING

A public hearing has been scheduled at which time any interested party may present statements, orally or in writing, about this proposed regulatory action. The hearing will continue until all oral comments are received, and will be held as follows:

Date: October 12, 2020
Location: HCD (Headquarters)
2020 W. El Camino Ave, Room 402
Sacramento, CA 95833
or
Join via Microsoft Teams
<https://tinyurl.com/MRLPPPpublicHearing>
Call-in Number: (916) 535-0998
Conference ID: 452 207 816#
Time: 9:00 a.m.

Pre-hearing registration will be conducted prior to the hearing. Those registered will be heard in order of their registration. Anyone else wishing to speak at the hearing will be afforded an opportunity after those registered have presented their oral comments. The time allowed for each person to present oral comments may be limited if a substantial number of people wish to speak.

Individuals presenting oral comments are requested, but not required, to submit a written copy of their statements. The hearing will be adjourned immediately following the completion of the oral comments.

SUBMISSION OF WRITTEN COMMENTS

Any interested person, or their authorized representative, may submit written comments relevant to the proposed regulatory action to HCD. All written comments must be received by HCD at this office no later than 8:00 a.m. on October 13, 2020 in order to be considered. Written comments may be submitted by mail, email, or facsimile as follows:

- By mail to: California Department of Housing and Community
Development
Division of Codes and Standards
P.O. Box 277820
Sacramento, CA 95827-7820
ATTN: MRLPP – Ruth Ibarra
- By email to: Ruth.Ibarra@hcd.ca.gov
- By facsimile to: (916) 263-3383 ATTN: Ruth Ibarra

PERMANENT ADOPTION OF REGULATIONS

Following the public comment period, HCD may adopt the proposals substantially as described below or may modify the proposals if the modifications are sufficiently related to the original text. With the exception of minor technical or grammatical changes, the text of any modified proposal will be available for at least 15 days prior to its adoption from the contact person(s) designated in this Notice, and will be mailed to those persons who have submitted written or oral testimony related to this proposal or who have requested notification of any changes to the proposal. HCD will accept written comments on the modified regulations during the 15-day period.

AUTHORITY AND REFERENCE

The MRLPA establishes the MRLPP within HCD, and it charges HCD with administering the program, reporting to the Legislature about the program, and imposing specified fees to cover its related costs. Health and Safety Code section 50406, subdivision (n) grants HCD the authority to “do any and all things necessary to carry out its purposes and exercise the powers expressly granted by this [Division 31, commencing with Section 50000].” This provision provides HCD with the authority to adopt regulations that implement, interpret, and make specific the MRLPA (Health & Saf. Code, §§ 18800 – 18806). The text of relevant statutes is available on the official California Legislative Information website and at: <http://leginfo.legislature.ca.gov/>.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

SUMMARY OF EXISTING LAW

Existing law governs the landlord-tenant relationships between mobilehome park owners or operators and mobilehome park residents, including homeowners. This law is known as the “Mobilehome Residency Law” (MRL) (Chapter 2.5 (commencing with Section 798) of Title 2 of Part 2 of Division 2 of the Civil Code). HCD does not have the authority to enforce these laws as they are only judicially enforceable.

Chapter 9 (commencing with Section 18150) of Part 2 of Division 13 of the Health and Safety Code establishes the Mobilehome Assistance Center (MAC), which assists the public by taking complaints from manufactured home and mobilehome owners and coordinating the resolution of those complaints. The complaints, which relate to manufactured homes and mobilehomes, include, but are not limited to, problems of titling and registration, installation, warranties, financing, sales, inspection of homes and parks, and mobilehome accessories and improvements, as well as problems relating to the MRL. The MAC cannot arbitrate, mediate, negotiate, or provide legal advice on mobilehome park rent disputes, lease or rental agreements, or disputes arising from lease or rental agreements. However, it may provide direction to local community resources on these issues.

The Mobilehome Parks Act (Part 2.1 (commencing with Section 18200) of Division 13 of the Health and Safety Code) authorizes HCD to establish rules and enforce physical operating requirements for mobilehome parks. Such enforcement includes responding to mobilehome park resident complaints about physical defects in their parks. The Manufactured Housing Act of 1980 (Part 2 (commencing with Section 18000) of Division 13 of the Health and Safety Code) authorizes HCD to establish rules for and enforce requirements related to the construction and alterations, sales, and registration and titling of manufactured housing (mobilehomes). Many other state laws and local ordinances also govern the relationship between mobilehome park residents and park operators, although they address different issues, such as fair housing (nondiscrimination) requirements, rent regulation, and crimes.

Health and Safety Code section 50402 requires the director of HCD to enforce all laws, rules, and regulations under the jurisdiction of the department. Health and Safety Code section 50404 identifies the Division of Codes and Standards as part of HCD. Health and Safety Code section 50406, subdivision (n) authorizes HCD to “do any and all things necessary to carry out its purposes and exercise the powers expressly granted by this division.”

SUMMARY OF EXISTING REGULATIONS

Statewide regulations have not been developed for either the MRL or the MAC. Statewide emergency regulations are in effect for the MRLPP until April 23, 2021 and

are located in Chapter 3.5 (commencing with section 4900) of Division 1 of Title 25 of the California Code of Regulations.

SUMMARY OF EFFECT OF PROPOSED REGULATORY ACTION

The purpose of these proposed regulations is to establish requirements and procedures for the MRLPP, which allows a mobilehome park homeowner to submit a complaint to HCD regarding alleged violations of the MRL, and which allows HCD to facilitate the resolution of such complaints and/or to refer the complaint to the appropriate enforcement agency or nonprofit legal services provider for enforcement action. If applicants file a complaint as part of the MRLPP and the information provided is complete, HCD will do the following:

- Provide an initial review of the complaint to determine whether the alleged violation(s) is an MRL issue or needs to be referred to another appropriate enforcement agency.
- If the complaint is deemed to contain specified serious alleged violation(s) of the MRL, HCD will request information from the park management, if needed, to assist with reviewing and evaluating the complaint in order to determine if it is eligible for retention, evaluation, and assistance.
- Upon determination the complaint is both valid and in compliance with requirements necessary for retention, evaluation and assistance, HCD will notify both parties that they must attempt to resolve the complaint through good faith negotiation and state that the parties may report the results of the negotiations to the MRLPP, as specified, within 25 days of the department communication.
- If a resolution is achieved between the parties, the MRLPP will close the complaint; if one or both parties report that there was no resolution, the complaint will be referred to a nonprofit legal services provider; or if the MRLPP does not receive a report from both parties after written inquiry from MRLPP, the complaint will be closed.
- HCD will review the complaint if deemed unresolved to ensure it is still one of the most serious; if it is, it will be referred to a nonprofit legal services provider who will review it, do an intake of the complainant, and decide to pursue the case or not. If it is not deemed the most serious, it will be referred to a more appropriate enforcement agency, retained, or closed.

These proposed regulations also establish requirements and criteria for the selection of the nonprofit legal services provider.

Those sections within Title 25, California Code of Regulations affected by this rulemaking (see "Sections Affected," below), and the specific purpose for each adoption in these proposed regulations, are set forth in the Initial Statement of Reasons for this regulatory action.

SECTIONS AFFECTED

Following are the specific Sections of Chapter 3.5 affected by this proposed action:

Adopt: Chapter 3.5 of Division 1 of Title 25 of the California Code of Regulations.
Sections 4900, 4902, 4904, 4906, 4908, 4910, 4912, 4914, 4916, and 4918.

POLICY STATEMENT OVERVIEW

ANTICIPATED BENEFITS OF THE PROPOSED ACTION

The proposed regulatory additions establish an administrative means of attempting to resolve mobilehome homeowner complaints about park owners' alleged violations of the MRL, thus avoiding legal and court costs for both parties and facilitating access to legal service providers for resolution between the parties.

EVALUATION OF INCONSISTENCY/INCOMPATIBILITY WITH EXISTING STATE REGULATIONS

HCD evaluated whether there were any other regulations concerning the MRLPP and determined that these are the only regulations in this area. Therefore, the proposed regulations are neither inconsistent nor incompatible with existing state regulations.

SMALL BUSINESS IMPACT STATEMENT

Small businesses will not be affected by these regulations. (See "Cost Impact on Representative Private Person or Business" paragraph, below.)

DISCLOSURES REGARDING THE PROPOSED ACTION

- 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
- Costs to housing: NONE

BUSINESS IMPACT

HCD has made an initial determination that the proposed regulations 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.

COST IMPACT ON REPRESENTATIVE PRIVATE PERSON OR BUSINESS

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.

RESULTS OF THE ECONOMIC IMPACT ANALYSIS

HCD has determined that this regulatory proposal will not have a significant impact on the creation or elimination of jobs in the State of California and will not result in the elimination of existing businesses nor create or expand businesses in the State of California.

Benefits of the Proposed Action: The proposed regulations provide mobilehome owners in a mobilehome park with clarity regarding their additional avenue to enforce the MRL, some provisions of which impact health and safety.

CONSIDERATION OF ALTERNATIVES

HCD must determine that no reasonable alternative it considered or that has otherwise been identified and brought to its attention would be more effective in carrying out the purpose for which the action is proposed, would be as effective and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.”. HCD invites interested persons to present statements or arguments with respect to alternatives to the proposed regulations during the written comment period.

AVAILABILITY OF DOCUMENTS AND CONTACT PERSON

HCD has prepared an Initial Statement of Reasons for the proposed regulatory action and has available all the information upon which the proposal is based. Copies of the exact language of the proposed regulations, the Initial Statement of Reasons, the rulemaking file, the Final Statement of Reasons (when available) and other information, if any, may be obtained upon request from HCD at the following location or from the contact people listed below:

California Department of Housing and Community Development
Division of Codes and Standards
2020 West El Camino, Room 250
Sacramento, CA 95814
Facsimile: (916) 263-3383

In addition, the Notice, the exact language of the proposed regulations, and the Initial Statement of Reasons may be found on the HCD’s website at the following address:
<https://www.hcd.ca.gov/manufactured-mobile-home/mobilehome-residency-law-protection-program/index.shtml>

Questions regarding the regulatory process or clarification on the substance of this regulatory proposal may be directed to:

Ruth Ibarra, Associate Governmental Program Analyst
Telephone: (916) 263-3262/ Facsimile: (916) 263-3383 / Email: Ruth.Ibarra@hcd.ca.gov

Carrie Paine, Staff Services Manager II
Telephone: (916) 263-3281 / Facsimile: (916) 263-3383 / Email: Carrie.Paine@hcd.ca.gov