

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

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**NOTICE OF PROPOSED ACTION****TITLE 25. CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY
DEVELOPMENT****DIVISION 1, CHAPTER 3.5****MOBILEHOME RESIDENCY LAW PROTECTION PROGRAM CERTIFICATE OF
COMPLIANCE PACKAGE**

NOTICE IS HEREBY GIVEN that the California Department of Housing and Community Development (HCD) proposes to permanently adopt regulations governing the Mobilehome Residency Law Protection Program (MRLPP), which was established by the Mobilehome Residency Law Protection Act. If approved, the proposed regulations would grant HCD authority to utilize various contracting methods to select and execute nonprofit legal services provider (LSP) contracts to which HCD refers MRLPP complaints for possible enforcement action. Proposed regulations repeal the requirement to utilize a Request for Proposal (RFP) to secure contracts and relocate and renumber the subsection that allows HCD to award contracts to one or more LSPs if it determines that coverage of the state requires multiple contractors and the subsection that notes contracts are subject to compliance with California contracting requirements.

PUBLIC HEARING

No public hearing is currently scheduled. However, pursuant to Government Code section 11346.8, if a written request to hold a public hearing is received no later than 15 calendar days before the close of the written comment period at the address below from any interested person or their authorized representative, HCD shall, to the extent practicable, provide notice of the time, date, and place of the hearing by mailing the notice to every person who has filed a request for notice with HCD.

SUBMISSION OF WRITTEN COMMENTS

Any interested person, or their authorized representative, may submit written comments relevant to this proposed regulatory action. All written comments must be received by HCD no later than 8:00 a.m. on January 22, 2025, in order to be considered. Written comments may be submitted electronically or by mail as follows:

Electronically at: HCD's Public Comment Portal: <https://www.hcd.ca.gov/building-standards/title-25-rulemaking>

Click on the Current Rulemaking Activities accordion and locate the portal link under the Proposed Regulations – Mobilehome Residency Law Protection Program Certificate of Compliance Header

Commenters who submit a comment through the public comment portal will receive an automated response indicating a successful submission.

By mail to: California Department of Housing and Community Development
Division of Codes and Standards
ATTN: Mobilehome Residency Law Protection Program Certificate of Compliance
P.O. Box 277820
Sacramento, CA 95827-7820

PERMANENT ADOPTION OF REGULATIONS

Following the public comment period, HCD may adopt the proposals, 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 authority and reference for this action occurs through both implied and express authority as described below:

Authority

Sections 18802 and 50406(n), Health and Safety Code

Reference

Sections 18802 and 18803, Health and Safety Code

INFORMATIVE DIGEST

SUMMARY OF EXISTING LAW

Mobilehome Residency Law Protection Act

HCD aids in taking complaints related to the Mobilehome Residency Law (MRL) and in helping to resolve and coordinate the resolution of these complaints. HCD administers the MRLPP through contracted LSPs and refers MRL complaints for evaluation and possible enforcement action to contracted LSPs. LSPs have sole authority to determine

which complaints are addressed or pursued, based on resources provided pursuant to the contract with HCD.

SUMMARY OF EXISTING REGULATIONS

Current regulations dictate that HCD issue an RFP to contract with one or more LSPs to provide legal advice and representation to MRLPP complainants. An RFP is one means of awarding contracts allowable under the Public Contract Code (PCC) (commencing with section 10335 of chapter 2 of part 2 of the Public Contract Code), but the Public Contract Code authorizes alternative contracting procedures for certain types of contracts, including legal services contracts pursuant to PCC section 10335.5(c)(4).

SUMMARY OF EFFECT OF PROPOSED REGULATORY ACTION

Proposed regulations repeal the requirement to utilize an RFP to secure contracts and relocate and renumber the subsection that allows HCD to award contracts to one or more LSPs if it determines that coverage of the state requires multiple contractors and the subsection that notes contracts are subject to compliance with California contracting requirements. Reference to contracting requirements in the Act are added for clarity.

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

Amend: 4196

Section 4916 within title 25, California Code of Regulations affected by this rulemaking, and the specific purposes for each amendment in these proposed regulations, are set forth in the Initial Statement of Reasons for this regulatory action.

POLICY STATEMENT OVERVIEW

ANTICIPATED BENEFITS OF THE PROPOSED ACTION

Current regulations require HCD to execute LSP contracts utilizing the RFP contracting method, a competitive bidding process that limits the ability to utilize other contract processes allowable under the California state contracting process. Current LSP contracts expired between February and May of 2024 and three LSPs have declined to extend contracts by one year, as permitted by Section 4916. Emergency action to propose amendments to Chapter 3.5 is necessary to provide continuity of service to mobilehome homeowners that submit MRL complaints for referral to contracted LSPs. Amending Section 4916 is necessary to remove the requirement to use the RFP contracting method. According to the Department of General Services, the RFP bidding

process often takes three to eight months from the time the advertisement is placed until the award is made. Resolution of protests may add a delay of one to three months. Currently, 30 counties are without LSP coverage. As a result, HCD is unable to fulfill the statutory requirement of referring MRLPP complaints to LSPs in those areas. As of September 2024, 52 complaints have been held due to lack of LSP coverage. Inability to refer complaints to LSPs may result in the lack of legal representation of mobilehome homeowners which could further result in legal and financial harm to those homeowners, including termination of tenancy and/or loss of property. The proposed regulations are necessary to execute LSP contracts in a timely manner to minimize lapse of LSP services and comply with the Act's statutory requirement that HCD refer complaints to contracted LSPs.

EVALUATION OF INCONSISTENCY/INCOMPATIBILITY WITH EXISTING STATE REGULATIONS

After conducting an evaluation for any other related regulations, the Department has found that these are the only regulations concerning the use of non-RFP contracting methods to select and execute LSP contracts and the only regulations impacted by repealing the requirement to utilize an RFP to secure contracts. Therefore, the proposed regulations are neither inconsistent nor incompatible with existing state regulations.

SMALL BUSINESS IMPACT STATEMENT

HCD has made an initial determination that small businesses will not be adversely affected by this proposed regulatory action because this regulatory does not increase or decrease business but merely allows HCD to utilize various contract methods beyond the RFP Method. This rulemaking does not increase or decrease the number of complaints referred to contract LSPs.

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 and will not affect creation or elimination of jobs in the State of California by allowing

HCD to utilize procurement methods other than RFP to contract with nonprofit LSPs. It does not increase or decrease contracting amounts or number of referred complaints.

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 the proposed regulatory action will not create or eliminate jobs in the State of California, as allowing HCD to utilize procurement methods other than RFP to contract with nonprofit LSPs will not increase or decrease contracting amounts or impact the number of referred complaints. Utilizing procurement methods other than RFP to contract with nonprofit LSPs will not affect the creation, elimination, or expansion of small businesses in the State of California. As the proposed regulatory action does not change the total contracted amount or increase or decrease the work referred to LSPs, there will be no significant adverse effect on private individuals or small businesses.

As described under ANTICIPATED BENEFITS OF THE PROPOSED ACTION, the benefits to the health and welfare of California residents include the ability of mobilehome owners to seek remedies for their complaints under the MRL and their ability to receive legal representation. The proposed regulations are not expected to affect work safety or the state's environment.

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
P.O. Box 277820
Sacramento, CA 95827-7820

Fax: (916) 854-2564

In addition, the Notice of Proposed Action, the exact language of the proposed regulations, and the Initial Statement of Reasons may be found on HCD's website at the following address within the Current Rulemaking Activities accordion under the header labeled "Proposed Regulations – Mobilehome Residency Law Protection Program Certificate of Compliance": <https://www.hcd.ca.gov/building-standards/title-25-rulemaking>.

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

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