

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

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www.hcd.ca.gov**October 18, 2018****INFORMATION BULLETIN 2018-03 (MP, SOP, MH, RT)**

TO: **Mobilehome and Special Occupancy Parks
Interested Parties (MP, SOP, MH, RT)
Local Enforcement Agencies
Division Staff**

FROM:  Richard Weinert, Deputy Director
Division of Codes and Standards

SUBJECT: **Mobilehome Residency Law Protection Act
Assembly Bill (AB) 3066 (Chapter 774, Statutes of 2018)**

This Information Bulletin provides detail regarding the Mobilehome Residency Law Protection Act (Act) established by [AB 3066 \(Chapter 774, Statutes of 2018\)](#). The Act creates the Mobilehome Residency Law Protection Program (MRLPP), which establishes a link between mobilehome/manufactured home (MH) owners and legal representation that may assist with Mobilehome Residency Law (MRL) disputes. Copies of the California MRL can be located on the Senate Select Committee on Manufactured Home Communities website at <https://mobilehomes.senate.ca.gov>.

Beginning July 1, 2020, any homeowner who has a tenancy in a Mobilehome Park (MP) under a rental agreement may submit a complaint for an alleged violation of the MRL to the Department of Housing and Community Development (Department)¹. The Department will provide assistance to help resolve and coordinate resolution of such complaints.

Upon receiving a complaint from a homeowner, the Department will send a letter confirming receipt and provide reference to the MRL sections that may pertain to the complaint. The letter will also communicate whether the complaint will be referred to another, more appropriate, enforcement agency should the Department not have jurisdiction.

¹ The Department is prohibited from arbitrating, mediating, negotiating, or providing legal advice in connection with MP rent disputes, lease or rental agreements, or disputes arising from rental or lease agreements.

During the course of the complaint investigation, the Department may request a copy of the homeowner's lease, park rules, or any other relevant written documents applicable to the complaint from MP management. MP management is required to provide the requested information within 15 business days of the postmarked date or electronic transmission, or be subjected to a citation of \$250 for each failure to comply. The Department, using good faith efforts, determines which complaint(s) it receives are the most severe, deleterious, economically or materially impactful allegations for referral to either an appropriate enforcement agency or a contract legal services provider.

Once a complaint has been selected for evaluation by a contract legal service provider, the Department shall notice both the complaining party and the MP owner and management. The notice will advise each party to negotiate in good faith to resolve the matter within 25 days. After the 25-day period, the Department will inquire if the dispute has been resolved. If either party responds to the Department that the matter is not resolved, the Department will conduct further evaluation and may refer the complaint to a nonprofit legal services provider (provider).

The provider will evaluate complaints, disputes, or matters arising from the provisions of the MRL. The provider will have the sole authority to determine which referred complaints will be addressed or pursued. It will not charge any fees to a homeowner for services performed in connection with the complaint referred by the Department.

Beginning January 1, 2019, and each subsequent year thereafter, each MP will be assessed a fee of ten dollars (\$10) per permitted lot (MRLPP fee) by the Department. Local Enforcement Agencies must collect the MRLPP fees from their respective Mobilehome Park owners/operators and forward them to the Department. This fee is due at the same time as the MP annual permit to operate fee.

The MP owner or management company, within 90 days from payment of the permit to operate, may pass on all or a portion of the MRLPP fee to individual homeowners within the MP. The fee may be collected in part or in whole at the time rent is due; however, management is not allowed to pass on the fee in the form of a rent increase. Additionally, the MRLPP fee must appear as a separate line item on the bill and include a clear written description of the purpose of the charge and the Department's contact information. Providing a copy of or link² to this information bulletin with each resident billing notices will meet the written description and contact information requirements³.

The MRLPP is a limited-term program beginning July 1, 2020, and ending January 1, 2024, unless extended by the Legislature.

Questions or comments regarding the MRLPP should be directed to Division staff at (800) 952-8356 or MRLcomplaint@hcd.ca.gov.

² www.hcd.ca.gov/information-bulletins.shtml

³ See Health and Safety Code Section 18804(c)

Attachment - Mobilehome Residency Law Protection Act

ATTACHMENT

Health and Safety Code - Mobilehome Residency Law Protection Act

Section 18800.

(a) This part shall be known, and may be cited, as the Mobilehome Residency Law Protection Act.

(b) It is the intent of the Legislature in enacting this part to protect and safeguard the most vulnerable mobilehome homeowners by affording them an additional avenue to enforce violations of the Mobilehome Residency Law (Chapter 2.5 (commencing with Section 798) of Title 2 of Part 2 of Division 2 of the Civil Code).

Section 18801.

As used in this part, and for the sole purpose of investigation or pursuit of conciliation or remedy arising from a complaint alleging a violation of the Mobilehome Residency Law (Chapter 2.5 (commencing with Section 798) of Title 2 of Part 2 of Division 2 of the Civil Code), the following definitions shall apply:

(a) "Department" means the Department of Housing and Community Development.

(b) "Homeowner" has the same meaning as specified in Section 798.9 of the Civil Code.

(c) "Management" has the same meaning as specified in Section 798.2 of the Civil Code.

(d) "Mobilehome" has the same meaning as specified in Section 798.3 of the Civil Code.

(e) "Mobilehome park" has the same meaning as specified in Section 798.4 of the Civil Code.

(f) "Mobilehome Residency Law" means the Mobilehome Residency Law (Chapter 2.5 (commencing with Section 798) of Title 2 of Part 2 of Division 2 of the Civil Code).

(g) "Program" means the Mobilehome Residency Law Protection Program established pursuant to this part.

(h) "Rental agreement" has the same meaning as specified in Section 798.8 of the Civil Code.

Section 18802.

(a) The Mobilehome Residency Law Protection Program is hereby established within the department.

(b) Except as provided in subdivision (c), the department shall provide assistance in taking complaints, and helping to resolve and coordinate the resolution of those complaints, from homeowners relating to the Mobilehome Residency Law.

(c) The department shall not arbitrate, mediate, negotiate, or provide legal advice in connection with mobilehome park rent disputes, lease or rental agreements, or disputes arising from lease or rental agreements, but may provide information on these issues to the complaining party, management, or other responsible party.

(d) (1) The department shall refer any alleged violations of law or regulations within the department's jurisdiction to the Division of Codes and Standards within the department.

(2) The department may refer any alleged violations of law or regulations that are not within the jurisdiction of the department, including, but not limited to, rent disputes, criminal activity, or alleged discrimination, to the appropriate enforcement agency.

(e) (1) Upon receipt of a complaint, the department shall send the complaining party a letter confirming receipt and referencing those provisions of the Mobilehome Residency Law, if applicable, that may pertain to the complaint. If the department refers the complaint to an appropriate enforcement agency, pursuant to paragraph (2) of subdivision (d), the letter shall communicate that referral.

(2) A letter issued pursuant to this subdivision shall be in the same medium as the complaint to which the letter is in response.

(f) (1) The department shall use good faith efforts to select the most severe, deleterious, and materially and economically impactful alleged violations of the Mobilehome Residency Law. The department shall select a sample of these complaints that satisfy geographic representation of the state for evaluation.

(2) In evaluating a complaint, the department may request a copy of the lease, park rules, or any other relevant written documents applicable to a complaint from management. Management shall provide the information requested pursuant to this paragraph within 15 business days from the postmark date or the electronic transmission of the request. The department shall establish a mechanism for management to provide the documents electronically. Failure to comply with this requirement shall result in a noncompliance citation of two hundred fifty dollars (\$250) for each failure to comply. The department shall not provide the documents it receives pursuant to this paragraph to any person or entity other than the nonprofit legal services provider, an appropriate enforcement agency, or the complainant.

(g) If the department selects a complaint for referral to and evaluation by a nonprofit legal services provider pursuant to Section 18803, it shall send a notice to the complaining party and the management or mobilehome park owner. The notice shall advise the parties that they are required to negotiate the matter in good faith to resolve the matter in 25 days. If after 25 days either party responds to a department inquiry that the matter is not resolved, the department may refer the complaint to an appropriate enforcement agency or a nonprofit legal services provider. The department may combine this notice with the letter described in paragraph (e).

(h) The department may aggregate multiple complaints submitted to the program into a single investigation. Multiple complaints may be aggregated within a single mobilehome park, or within multiple mobilehome parks where there is either:

(1) A common mobilehome park owner or mobilehome park owner entity, or common principals, partners, shareholders, members, or legal ownership amongst the multiple mobilehome parks.

(2) A common third-party or off-site management entity which manages the multiple mobilehome parks.

(i) Participation in the administrative procedures authorized by this part shall not be deemed to be grounds to authorize a delay in the prosecution of an unlawful detainer action. However, this section shall not be construed as preventing a court from exercising any power to delay based upon any other grounds.

(j) This section shall become operative on July 1, 2020.

Section 18803.

(a) In administering the program, the department shall contract with one or more qualified and experienced nonprofit legal services providers and refer complaints selected for evaluation pursuant to subdivision (f) of Section 18802, and which are not resolved pursuant to subdivision (g) of Section 18802, to those nonprofit legal services providers for possible enforcement action.

(b) The department shall only contract with a nonprofit legal services provider that meets all of the following requirements:

(1) The nonprofit legal services provider has experience in handling complaints, disputes, or matters arising from the provisions of the Mobilehome Residency Law or matters related to general landlord-tenant law.

(2) The nonprofit legal services provider has experience in representing individuals in dispute resolution processes, state court proceedings, and appeals.

(3) The nonprofit legal services provider has sufficient staff and financial ability to provide for legal services to homeowners.

(c) A nonprofit legal services provider contracted with pursuant to this section shall maintain adequate legal malpractice insurance and shall agree to indemnify and hold harmless the state from any claims arising from the legal services provided pursuant to this part.

(d) (1) A nonprofit legal services provider contracted with pursuant to this section shall have the sole authority to determine which referred complaints will be addressed or pursued, based on the resources provided to it pursuant to the contract with the department.

(2) The nonprofit legal services provider shall inform the department of any complaints not handled due to a shortage of resources.

(e) A nonprofit legal services provider contracted with pursuant to this section shall not charge any fees to a homeowner for any services performed in connection with a complaint referred to it by the department.

(f) This section shall become operative on July 1, 2020.

Section 18804.

(a) There is hereby established in the State Treasury the Mobilehome Dispute Resolution Fund. The fund shall receive all moneys derived pursuant to this part. Moneys in the fund shall be available, upon appropriation by the Legislature, for purposes of implementing this part.

(b) (1) Beginning January 1, 2019, and each subsequent year thereafter, the department shall assess upon, and collect from, the management of a mobilehome park subject to the Mobilehome Residency Law an annual registration fee of ten dollars (\$10) for each permitted mobilehome lot within the mobilehome park. The department shall collect the registration fee at the same time as the annual operating permit fee imposed under the Mobilehome Parks Act (Part 2.1 (commencing with Section 18200)).

(2) The Legislature finds and declares that the purpose of the fee imposed by this section is to cover the costs of the department incident to the investigation of mobilehome parks for purposes of enforcing the Mobilehome Residency Law.

(c) Notwithstanding any other law or local ordinance, rule, regulation, or initiative measure to the contrary, within 90 days from payment of the registration fee to the department, management may pass on all or a portion of the amount of the annual registration fee assessed under this section to the homeowners within the mobilehome park and may collect the amount or portion thereof from the homeowner with the rent payment and other charges due, except that management shall not aggregate or include the fee in the rent nor shall the amount exceed ten dollars (\$10) per mobilehome space annually. The annual registration fee shall appear as a separate line item in the bill and shall be accompanied by a clear written description of the purpose of the charge to homeowners, along with contact information for the department.

Section 18805.

(a) On January 1, 2023, the department shall submit a written report to the Legislature outlining data collected from the program and make that report available on its Internet Web site. The data collected shall include, but not be limited to, all of the following:

(1) The amount of registration fees collected pursuant to Section 18804 and the amount expended on the program.

(2) The total number of complaint allegations received, the total number of complaint allegations processed, and the total number of complaint allegations referred to another enforcement agency or to a nonprofit legal services provider.

(3) The type of complaint allegations received.

(4) To the extent possible, the outcome of each complaint received by the program.

(5) Activities completed by a nonprofit legal services provider contracted with pursuant to the program.

(6) The most common complaint allegations.

(7) Recommendations for any statutory or administrative changes to the program.

(b) The report required to be submitted to the Legislature by this section shall be submitted in compliance with Section 9795 of the Government Code.

(c) The department shall additionally report the information required pursuant to paragraphs (1) to (3), inclusive, of subdivision (a) to the task force convened pursuant to Section 18400.3.

Section 18806.

This part shall remain in effect only until January 1, 2024, and as of that date is repealed.