

SENATE JUDICIARY COMMITTEE
Senator Thomas Umberg, Chair
2025-2026 Regular Session

AB 2174 (Johnson)
Version: April 27, 2026
Hearing Date: June 30, 2026
Fiscal: Yes
Urgency: No
ID

SUBJECT

Mobilehomes and manufactured housing: registration and titling documentation

DIGEST

This bill requires the Housing and Community Development Department to accept a verified signature executed electronically on a document submitted to release or satisfy a security interest on a mobilehome, as specified.

EXECUTIVE SUMMARY

Mobilehomes are pre-fabricated homes that are designed to be able to be transported and moved between locations. In practice, however, significant costs associated with relocation make it very difficult to move a mobilehome. The Housing and Community Development Department (HCD) maintains a permanent record of mobilehome titles and ownership. All owners must have their mobilehomes registered annually and hold a certificate of title. (Health & Saf. Code § 18054.5.) A party, such as a bank that financed the purchase of the mobilehome, can have a security interest in the mobilehome. This lien is also recorded on the title of the mobilehome by submitting documents to HCD that demonstrate this security interest. To release a lien, a party must sign the certificate of title and likewise forward the certificate of title to HCD with appropriate fees. (Health & Saf. Code § 18100.5.) HCD will then amend the permanent title record to reflect the release of the lien, and mail a new certificate of title to the owner. AB 2174 requires HCD to accept a verified signature executed electronically on a document submitted to release or satisfy a security interest. It defines such a signature as a digital signature, as defined. It requires HCD to treat the signature as having the same force and effect as an original wet signature, and prohibits HCD from requiring submission of an original wet signature.

AB 2174 is sponsored by the Western Manufactured Housing Communities Association, and the Committee has received no other timely letters of support or opposition. It previously passed the Senate Housing Committee by a vote of 10 to 0.

PROPOSED CHANGES TO THE LAW

Existing law:

- 1) Establishes the Manufactured Housing Act of 1980, which establishes the titling and registration requirements for all manufactured homes and mobilehomes. Authorizes HCD to adopt regulations to implement and interpret those titling and registration requirements. (Health & Saf. Code §§ 18000 et seq.)
- 2) Requires all manufactured homes and mobilehomes sold or used within California to be subject to annual registration and payment of fees to HCD. (Health & Saf. Code §§ 18075-18075.5.)
- 3) Requires, if the title or interest of a registered owner, legal owner, or junior lienholder in a manufactured home, mobilehome, commercial coach, truck camper, or floating home is transferred to another person, or if a lien upon it is released, the transferee and transferor must sign the certificate of title and deliver the certificate of title with all other supporting documents and appropriate fees to HCD for recording within 20 days. Requires HCD to amend the permanent record of the mobilehome and forward a new certificate of title and any amended registration card to the owner, as specified. (Health & Saf. Code § 18100.5.)
- 4) Defines “electronic signature” for purposes of various sections of California law, and the Uniform Electronic Transfer Act (UETA), to mean an electronic sound, symbol, or process attached to, or logically associated with, an electronic record and executed or adopted by a person with the intent to sign the electronic record. (Civ. Code §§ 1633(f), 1633.2 (h); Code Civ. Proc. §§ 17 (b)(3), 263.1 (c); Corp. Code §§ 31158(b)(1)(H)(2), 25620 (b)(1)(H)(2); Fin. Code §§ 12201(c)(1)(H)(2), 17201(c)(1)(H)(2), 22101(h)(1)(H)(2).)
- 5) Allows for the electronic filing of documents in civil actions, including the use of electronic signatures. (Code Civ. Proc. § 1010.6.)
- 6) States that a record or signature may not be denied legal effect or enforceability solely because it is in electronic form. States that a contract may not be denied legal effect or enforceability solely because an electronic record was used in its formation, and specifies that, if a law requires a record to be in writing, an electronic record satisfies the law. States that an electronic signature satisfies any law’s requirement for a signature. (Civ. Code § 1633.7.)
- 7) Specifies that the law does not require any record or signature to be created or otherwise used in electronic form, and that parties to a transaction generally must agree to conduct the transaction by electronic means. (Civ. Code § 1633.5.)

- 8) Defines an electronic record as: a record created, generated, sent, communicated, received, or stored by electronic means. (Civ. Code § 1633.2.)
- 9) Defines an electronic signature as an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign the electronic record. (*Id.*)
- 10) Defines a digital signature as an electronic identifier, created by a computer, intended by the party using it to have the same force and effect as the use of a manual signature, and clarifies that a digital signature is a type of “electronic signature,” as defined in the UETA. (Gov. Code § 16.5.)

This bill:

- 1) Requires, on or after January 1, 2028, HCD to accept a verified signature executed electronically on a document submitted to release or satisfy a security interest held by a legal owner pursuant to (3), above, and requires HCD to treat the signature as having the same force and effect as an original wet signature. Prohibits HCD from requiring submission of an original wet signature to release or satisfy a legal owner’s security interest.
- 2) For the requirement described in (1), defines a “verified signature executed electronically” to mean a digital signature that embodies all of the attributes set forth in Government Code section 16.5(a).

COMMENTS

1. Author’s statement

According to the author:

The continued reliance on wet signatures for documents related to lien releases and title updates for manufactured homes and mobilehomes is outdated and in need of modernization to bring these signature standards in line with 21st Century technologies. AB 2174 updates existing law to allow the Housing and Community Development Department to accept electronic signatures, providing a more streamlined experience for Californians utilizing Department services.

2. Mobilehomes and their titling

Mobilehomes are pre-fabricated homes that are designed to be able to be transported and moved between locations. In practice, however, significant costs associated with relocation make it much more difficult to move a mobilehome. Because they are not

typically tied to the land upon which they sit and can technically be moved, mobilehomes are considered personal property, not real property.

The Manufactured Housing Act of 1980 prescribes various standards on the structural, fire safety, plumbing, heating, and electrical systems of a manufactured home, or mobilehome, and prescribes the selling, titling, registration, and installation of mobilehomes. (Heath & Saf. Code §§ 18000 et seq.) The titling and registration of mobilehomes occurs exclusively through the Housing and Community Development Department (HCD), which maintains a permanent record of mobilehome titles and ownership. All owners must have their mobilehome registered annually and hold a certificate of title. (Health & Saf. Code § 18054.5.)

When someone sells or transfers a mobilehome in the state, the transfer of title is not effective until the transferor properly endorses and delivers the certificate of title and registration card to the transferee. (Health & Saf. Code § 18101.) The transferor also must notify HCD of this transfer within 20 days by submitting the certificate of title and supporting documents and fees. (Health & Saf. Code § 18100.5.) If the documents are complete, HCD updates the title record for the mobilehome, and issues a new certificate of title and registration card to the new owner.

A party, such as a bank that financed the purchase of the mobilehome, can have a security interest in a mobilehome. This lien is also recorded on the title of the mobilehome by submitting documents to HCD that demonstrates this security interest. By recording the lien with HCD, the lienholder protects their interest in the mobilehome against other claims because the lien is part of HCD's title records regarding the particular mobilehome. The lien remains on the title of the mobilehome until it is released. To release a lien, a party must sign the certificate of title and likewise forward the certificate of title to HCD with appropriate fees. (Health & Saf. Code § 18100.5.) HCD will then amend the permanent title record to reflect the release of the lien, and mail a new certificate of title to the owner. If the lienholder fails to submit the certificate of lien to release the lien, they can be liable for actual damages due to that failure if they do not submit the certificate of lien to HCD within 20 days of receiving a request from the owner to release the lien. (Health & Saf. Code § 18100.5(c).)

3. The Uniform Electronic Transactions Act

Both federal and state law have attempted to regularize and promote electronic records and signatures. In 2000, the federal government enacted the Electronic Signatures in Global and National Commerce Act (known as the E-Sign Act), which provides that electronic records and signatures for transactions in or affecting interstate commerce or foreign commerce are generally valid and legally enforceable. (15 U.S.C., §§ 7001 et seq.) The E-sign Act also specifies that a state statute, regulation, or other enactment may modify, limit, or supersede the E-Sign Act's provisions, provided they constitute an enactment or adoption of the Uniform Electronic Transactions Act (UETA), specify

alternative procedures or requirements that are not inconsistent with the E-Sign Act and do not require or accord greater legal status or effect to a specific technology, and make specific reference to the E-Sign Act. (15 U.S.C. § 7002.)

Around the same time, California adopted the UETA, establishing the legal validity of e-signatures and electronic records relating to a transaction on business, commercial, or governmental affairs. (Civ. Code §§ 1633.1 et seq.) The UETA states that a record or signature may not be denied legal effect or enforceability solely because it is in electronic form. (Civ. Code § 1633.7.) However, the UETA does not require any record or signature to be created or otherwise used in electronic form; generally, the parties must agree to conduct the transaction by electronic means. (Civ. Code § 1633.5.)

The UETA also includes a number of definitions. It defines an electronic record as: “a record created, generated, sent, communicated, received, or stored by electronic means.” (Civ. Code § 1633.2.) An electronic signature is defined as: an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign the electronic record. (*Id.*) The UETA was enacted to facilitate electronic transactions, be consistent with reasonable practices concerning electronic transactions, and make uniform the law among the states. (Civ. Code § 1633.6.)

While UETA defines an electronic record, a digital signature is a subset of electronic signatures under UETA. A digital signature is defined in Government Code section 16.5 as an electronic identifier, created by a computer, intended by the party using it to have the same force and effect as the use of a manual signature.

4. AB 2174 proposes to allow electronic signatures for lien and title documents for mobilehomes

AB 2174 aims to streamline the mobilehome titling process by allowing for electronic signatures on lien documents. Specifically, it requires HCD to accept a verified signature executed electronically for documents to satisfy or release a lien, and requires that HCD treat the signature as having the same force and effect as an original wet signature. It prohibits HCD from requiring submission of an original wet signature to release or satisfy a legal owner’s security interest. For its purposes, it defines “verified signature executed electronically” to mean a digital signature that embodies all of the attributes of an electronic signature described in Government Code section 16.5.

Liens and the certificate of titles that evidence the lien are incredibly important, as they demonstrate interests in the mobilehome to which they apply. Furthermore, as multiple parties can have interests in the same property, the proper recording and release of liens is essential to preserving lienholders’ rights and guaranteeing that the priority of liens on a mobilehome is correct. While AB 2174 provides greater efficiency by allowing lien documents and releases to be signed electronically, any uncertainty regarding the

validity of documents submitted and recorded to evidence or release a lien can create substantial uncertainty regarding title to the mobilehome. To the degree that a digital signature may be less guaranteed or secure than a wet signature, it is worth considering what risks of wrongful or unclear title may be created by relying on digital signatures for such important documents.

SUPPORT

Western Manufactured Housing Communities Association (sponsor)

OPPOSITION

None received

RELATED LEGISLATION

Pending Legislation: SB 902 (Grayson, 2026) specifies that a signature required by the Child Care and Development Services Act may be satisfied by use of an electronic signature in compliance with UETA. Authorizes documents with an electronic signature to be created and stored in an electronic format in compliance with UETA, and authorizes HCD to adopt regulations to implement these provisions. SB 902 is currently pending before the Assembly Education Committee.

Prior Legislation:

SB 696 (Portantino, Ch. 291, Stats. 2023) gave effect to a notarial act performed in another state, and authorized a notary public to apply for registration with the Secretary of State to be authorized to perform online notarizations, as specified.

AB 696 (Lowenthal, 2023) would have enacted the California State Grants and Contracts Modernization Act to require a state agency that administers a grant or enters into contracts with any eligible entity to provide for and accept electronic signatures and transmissions, and would have prohibited an agency from requiring, after July 1, 2025, an original or wet signature on a contract or grant document, unless otherwise required by state or federal law. AB 696 was held in the Senate Appropriations Committee.

AB 40 (Rodriguez, Ch. 793, Stats. 2023) required the Emergency Medical Services Authority to develop and implement an electronic signature for use between the emergency department medical personnel at a receiving hospital and the transporting emergency medical personnel, among other changes.

AB 2296 (Low, Ch. 144, Stats. 2016) clarified that public agencies may use and accept digital signatures to satisfy the requirements of an electronic signature under the UETA.

SB 820 (Sher, Ch. 428, Stats. 1999) enacted the Uniform Electronic Transactions Act, providing that a record or signature may not be denied legal effect or enforceability solely because it is in electronic form. Specified that, if a law requires a signature be notarized, the requirement is satisfied with respect to an electronic signature, as specified.

PRIOR VOTES:

Senate Housing Committee (Ayes 10, Noes 0)

Assembly Floor (Ayes 77, Noes 0)

Assembly Appropriations Committee (Ayes 14, Noes 0)

Assembly Housing and Community Development Committee (Ayes 12, Noes 0)
