

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

AB 635 (Ahrens)
Version: June 15, 2026
Hearing Date: June 23, 2026
Fiscal: Yes
Urgency: No
ID

SUBJECT

Mobilehome Residency Law Protection Program: Attorney General

DIGEST

This bill extends the sunset of the Mobilehome Residency Law Protection Program to January 1, 2030, and makes various changes to the program to streamline the program and model it more closely to a grant program.

EXECUTIVE SUMMARY

Mobilehomes are pre-fabricated homes that are designed to be able to be transported and moved between locations, though transporting a mobilehome is incredibly difficult and expensive. Many mobilehome residents own their mobilehome, but lease the land upon which their home is located from a mobilehome park in which their mobilehome sits. The Mobilehome Residency Law (MRL) outlines various obligations, rights, and responsibilities between mobilehome park management and park residents. To protect and safeguard the most vulnerable mobilehome homeowners, the Legislature created the Mobilehome Residency Law Protection Program (MRLPP), a program meant to provide mobilehome park residents with an avenue for lodging complaints of MRL violations and receiving assistance with the resolution of those violations. Under the MRLPP, the Department of Housing and Community Development (HCD) receives and evaluates complaints of violations of the MRL, and refers complaints to the appropriate enforcement agency or to nonprofit legal services providers that contract with HCD to provide complainants legal services. The MRLPP sunsets January 1, 2027. AB 635 extends the program another three years, until January 1, 2030, and makes various structural changes to the program to model it more closely to a grant program.

AB 635 is sponsored by the Golden State Manufactured-Home Owners League, and is supported by the City of Citrus Heights. The Committee has received no timely letters of opposition. It previously passed the Senate Housing Committee by a vote of 8 to 2.

PROPOSED CHANGES TO THE LAW

Existing law:

- 1) Establishes the Mobilehome Residency Law (MRL) to regulate the relationship between mobilehome park management and park residents, and establishes various rights, responsibilities, and limits of both groups. (Civ. Code §§ 798 et seq.)
- 2) Establishes the Mobilehome Residency Law Protection Act (MRLPA) and states the intent of the Legislature in enacting the MRLPA is to protect and safeguard the most vulnerable mobilehome homeowners by affording them an additional avenue to enforce violations of the MRL. (Health & Saf. Code §§ 18800-18806.)
- 3) Establishes the MRLPP within the Department of Housing and Community Development (HCD). Requires HCD to provide assistance in taking complaints, and helping to resolve and coordinate the resolution of those complaints, from homeowners related to the MRL. (*Id.*)
- 4) Prohibits HCD from arbitrating, mediating, negotiating, or providing legal advice in connection with mobilehome park rent disputes, lease or rental agreements, or disputes arising from lease or rental agreements. Authorizes HCD to provide information on these issues to the complaining party, park management, or other responsible party. (Health & Saf. Code § 18802(c).)
- 5) Requires HCD to refer any alleged violations of law or regulations within HCD's jurisdiction to the Division of Codes and Standards within HCD. Authorizes HCD to refer any alleged violations of law or regulations that are not within HCD's jurisdiction, including, but not limited to, rent disputes, criminal activity, or alleged discrimination, to the appropriate enforcement agency. (Health & Saf. Code § 18802(d).)
- 6) Requires HCD to send the complainant a letter confirming receipt of the complaint and referencing the provisions of the MRL that may pertain to the complaint, and, if HCD refers the complaint to an appropriate enforcement agency, requires the letter to communicate that referral. (Health & Saf. Code § 18802(e).)
- 7) Requires HCD to send a notice to the complaining party and the management or mobilehome park owner if the department selects a complaint for referral to and evaluation by a nonprofit legal services provider (LSP). (Health & Saf. Code § 18802(g).)
- 8) Permits HCD, in evaluating a complaint, to request copies of the lease, park rules, or any other relevant written documents from park management, and requires management to provide the information requested within 15 business days.

Requires HCD to provide a mechanism for management to provide the documents electronically, and specifies that failure to comply with this requirement shall result in a citation of \$250 per failure to comply. Prohibits HCD from providing the documents it receives to any person or entity other than the nonprofit LSP, an appropriate enforcement agency, or the complainant. (Health & Saf. Code § 18802(f).)

- 9) Permits HCD to aggregate multiple complaints submitted to the MRLPP into a single investigation, where there is: a common mobilehome park owner or owner entity, or common principals, partners, shareholders, members, or legal ownership; or a common third-party or off-site management entity which manages the multiple mobilehome parks. (Health & Saf. Code § 18802(h).)
- 10) Requires HCD to contract with one or more qualified and experienced nonprofit LSPs in administering the program, and requires HCD to refer complaints selected for evaluation to those nonprofit LSPs for possible enforcement action. (Health & Saf. Code § 18803.)
- 11) Prohibits a nonprofit LSP providing services under the MRLPP from charging any fees to a homeowner for any services performed in connection with a complaint referred to it under the MRLPP. (*Id.*)
- 12) Beginning January 1, 2019, and each subsequent year thereafter, requires HCD to assess and collect from park management an annual registration fee of \$10 per mobilehome lot within each mobilehome park subject to the MRL. Authorizes park management to pass on all or a portion of the amount of the annual registration fee to homeowners within the mobilehome park. (Health & Saf. Code § 18804.)
- 13) Requires HCD to include in its annual report to the Legislature specified information regarding the MRLPP, including the complaints handled by the MRLPP and recommendations for any statutory or administrative changes to the program. (Health & Saf. Code § 18805.)
- 14) Permits HCD to adopt regulations as necessary or appropriate to implement its provisions, and makes the adoption and readoption of regulations to implement the MRLPP deemed an emergency for the purposes of specified provisions of the California Administrative Procedures Act. (Health & Saf. Code § 18802(k).)
- 15) Sunsets and repeals the MRLPA on January 1, 2027. (Civ. Code § 18806.)

This bill:

- 1) Specifies that HCD must help coordinate the resolution of complaints made by, and on behalf of, mobilehome owners through the MRLPP.

- 2) Requires HCD to refer any alleged violations of the MRL, Government Code section 65863.7, or related local government ordinances, including rent stabilization ordinances, to a nonprofit LSP within five days of receipt of the complaint.
- 3) Specifies that HCD may refer violations of local government ordinances to the appropriate enforcement agency.
- 4) Permits HCD to make multiple referrals, and requires HCD to avoid duplication of effort in any complaints that are referred more than once.
- 5) Removes the requirement that HCD include references to the provisions of the MRL that may pertain to the complaint in its letter to the complainant confirming receipt of the complaint, and specifies that this letter must communicate if the complaint is referred to a nonprofit LSP or the appropriate enforcement agency.
- 6) Removes the requirement that HCD send a letter to the complainant and the mobilehome park management or owner if HCD selects the complaint for referral and evaluation by a nonprofit LSP.
- 7) Permits HCD to aggregate only multiple complaints of violations of laws or regulations within HCD's jurisdiction into a single investigation.
- 8) Specifies that nothing in these amendments is intended to interrupt, interfere with, or replace, unless otherwise agreed to by the parties, any existing contracts or commitments between HCD and any LSP entered into before June 30, 2029, and requires HCD to continue to contract with LSPs, or extend any existing contracts with LSPs, until the grant process has been fully developed by HCD, so as to ensure no interruption or delay in the nonprofit legal services provided.
- 9) Requires HCD to develop a grant process to distribute MRLPP funds to one or more qualified and experienced nonprofit LSPs and refer any complaints to those LSPs, to be developed through the regulatory process to be operational for all complaints no later than July 1, 2029, and requires HCD to begin referring any alleged violations pursuant to this grant process no later than July 1, 2030. Sunsets the previous provisions of the MRLPP that provide for contracting with LSPs on June 30, 2029.
- 10) For the grant program, amends the requirements for nonprofit LSPs eligible for the MRLPP to specify that the nonprofit LSP has sufficient staff and financial ability to provide for legal services to homeowners and residents of mobilehome parks. Imports the other existing requirements on nonprofit LSPs contained in Health and Safety Code section 18803 into the grant program.
- 11) Makes various conforming changes to the MRLPP.

- 12) Amends the information about the MRLPP required to be included in HCD's annual report to include the total number of complaint allegations referred to a nonprofit LSP or appropriate enforcement agency.
- 13) Extends the sunset for the MRLPP to June 30, 2033.

COMMENTS

1. Author's statement

In support of this bill, the author states:

Recognizing the significant increase in housing costs and the ongoing instability that many people face, I am committed to ensuring that residents of mobilehome parks are secure and in their living situations. Through the Mobilehome Residency Law and other mobilehome related laws, California provides protections that shield residents from arbitrary rent hikes, unjust evictions, and confiscation of residents' mobilehomes.

2. Mobilehomes are an important source of affordable housing in California

Mobilehomes represent an important source of affordable housing in California. There are an estimated 508,589 mobilehomes in California, providing housing to about 1.5 million Californians.¹ The median price of a mobilehome in 2022 was \$82,600, making mobilehome ownership one of the most significant, un-subsidized sources of affordable housing.² In addition, mobilehome park residents tend to be of lower income and older than the average Californian.³

Mobilehomes are pre-fabricated homes that are designed to be able to be transported and moved between locations. However, while they are technically mobile, a significant amount of time, effort, and money is often required to actually move a mobilehome. Costs for moving a mobilehome range from a few thousand to tens of thousands of dollars. Mobilehomes are also unique because many mobilehome residents own their mobilehome, but lease the land upon which their home is located from a mobilehome park. The mobilehome park and the lots on which the mobilehomes sit are usually privately owned and managed by a mobilehome park company.

¹ U.S. Census Bureau, 2021 American Community Survey 1-Year Estimates (2021), available at <https://data.census.gov/>.

² U.S. Census Bureau, Manufactured Housing Survey (Jun. 2022), available at <https://www.census.gov/data/tables/time-series/econ/mhs/annual-data.html>.

³ Noah I. Durst and Esther Sullivan, "The Contribution of Manufactured Housing to Affordable Housing in the United States: Assessing Variation Among Manufactured Housing Tenures and Community Types" (2019), *Housing Policy Debate*, p. 3.

Thus, while residents technically own their mobilehome, they pay rent to the park management, are subject to the rules of the mobilehome park set by the ownership of the park, and often rely on the park for the provision of utilities. If they fall behind on their rent payments to the park for their mobilehome's lot, or if they violate a rule of the park, they can be evicted from the park. Considering that they may have invested a large amount of money in a mobilehome that they can no longer live in, they could lose the equity they've accumulated in their mobilehome upon eviction, either by having to sell the mobilehome quickly, or spend thousands of dollars to move their mobilehome elsewhere. These circumstances and the difficulty in moving a mobilehome often mean that mobilehome park owners hold an unequal bargaining position in relation to the mobilehome owners within their park.

3. The Mobilehome Residency Law

In light of this and the unique nature of mobilehome parks, the Legislature passed the Mobilehome Residency Law (MRL) in 1978 to regulate the relationship between mobilehome park management and park residents, and to establish various rights, responsibilities, and limits of both groups. (Civ. Code §§ 798 et seq.) The MRL covers a variety of areas, including: permissible rental and lease contract terms; park rules and mandatory notices to residents; limits on fees and charges, as well as increases to them; and the conditions and limits related to mobilehome park evictions. Mobilehome owners, residents, and guests must comply with the rental agreement, and any reasonable rule or regulation of the park that are part of the agreement. (Civ. Code § 798.56.) Not complying with these rules, or applicable local ordinances or state laws and regulations relating to mobilehomes, can be grounds for eviction from the park. But the MRL also specifies that a park may only evict a resident for specified reasons, and protects park residents' rights to use and improve their lot and mobilehome in certain ways.

The Department of Housing and Community Development (HCD) oversees a variety of areas of the MRL, including health and safety standards, the registration and titling of mobilehomes and parks, and the inspections of parks for health and safety issues. HCD also houses the Mobilehome Ombudsman, who assists the public with questions or issues related to various aspects of mobilehome law. However, neither HCD nor the ombudsman have enforcement authority for the MRL, and cannot provide legal advice or representation regarding park disputes. Instead, residents and mobilehome owners generally must go to court when the park violates the MRL or residents' rights.

4. The Mobilehome Residency Law Protection Program

To help better protect mobilehome park residents, the Legislature created the Mobilehome Residency Law Protection Program (MRLPP) in 2018 (AB 3066 (Stone), Ch. 744, Stats. 2018.) The MRLPP creates a program through which mobilehome residents can file complaints with HCD relating to violations of the MRL and have those

complaints evaluated and directed to appropriate enforcement agencies or nonprofit legal services providers (LSPs) for legal assistance. (Health & Saf. Code §§ 18800-18806.)

Under the MRLPP, HCD receives complaints, assesses each complaint, and refers substantiated complaints to a contracted nonprofit LSP in the mobilehome park's region or to an enforcement agency to assist the resident in resolving the issue. If the violation is within HCD's jurisdiction, HCD must refer the complaint to its Division of Codes and Standards. (Health & Saf. Code §18802.) HCD is permitted to request copies of leases, park rules, and other documents from park management in its evaluation of a complaint, and HCD must send the complainant and park management a notice if it selects the complaint for referral to an LSP. HCD is permitted to aggregate multiple complaints into a single investigation when the complaints deal with a common mobilehome park owner or a common mobilehome park management company. To fund the program, HCD assesses and collects a ten dollar annual registration fee per mobilehome lot from mobilehome park management. (Health & Saf. Code § 18804.)

The program was initially established as a five-year pilot program that would sunset in January 2024. However, in 2023, the Legislature extended it for three years to January 1, 2027 through AB 318. (Addis, Ch. 736, Stats. 2023.) AB 318 also made a number of changes to the program to better streamline the process and respond to the recommendations of HCD. It eliminated the requirements of the original program that HCD select the most severe, deleterious, and materially and economically impactful alleged violations, and the requirement that HCD provide the complainant and the mobilehome park management 25 days to resolve the matter between the parties before HCD refers the complaint to an appropriate enforcement agency or legal services provider.

5. HCD's reports on the MRLPP

The MRLPP also directs HCD to collect data regarding complaints and produce a sunset report on the MRLPP and any recommendations for statutory or administrative changes to the program. HCD included its sunset report on the MRLPP in its annual report for the 2021-22 fiscal year.⁴ The report summarized the MRLPP's financials, showing that it had collected \$10,878,986 in total program revenue and had at the time of reporting expended \$3,763,703. HCD noted that nearly 69 percent of complaints referred to legal services provider (LSP) were either in the complaint intake stage or still receiving assistance, leaving cases open and more expenses to be incurred before the program's end.

⁴ Cal. Dept. of Housing & Community Dev., *Annual Report: Fiscal Year 2021-22*, Cal. Bus., Consumer Svcs. & Housing Agency (Jun. 30, 2022), available at <https://www.hcd.ca.gov/policy-and-research/plans-and-reports>.

HCD also reported that the total number of allegations of MRL violations received under the MRLPP were 3,561. Of those complaints, the MRLPP processed 2,999, referring 409 to another enforcement agency and 579 to a LSP for legal assistance. Of the types of complaints received, the most were for violations of the rules on rental agreements (444), violations related to a termination of tenancy (398), and for violations of MRL provisions on park rules and regulations (661). The MRLPP also received a significant number of allegations relating to trees and driveways (149), notices of rent increases (146), utility service billing and rate schedule (145), fees charged for unlisted services without notice (144), the application of rules and regulations to park owners and employees (136), and allegations involving housing discrimination (124). The MRLPP received 409 allegations that fell under another enforcement agency's jurisdiction and not under the MRL.

Additionally, HCD was required to make recommendations in its sunset report for any statutory or administrative changes to the program. The report's recommendations were to:

1. Extend the pilot program for two years and authorize HCD to begin implementing a grant program with an inception date of January 1, 2026. HCD notes that establishing a grant program to directly fund LSPs would allow for homeowner education opportunities and more immediate cost-free legal assistance. It also would allow LSPs to provide legal services to homeowners who contact the LSP directly. Operating under a grant program would reduce HCD's operational overhead while maintaining the MRLPP fee structure as the funding source.
2. Eliminate HCD's obligation to make a good faith effort to select the most severe, deleterious, and materially and economically impactful alleged violations of the MRL. HCD notes that eliminating this requirement will allow for any mobilehome owner to receive assistance until the funds are depleted.
3. Eliminate the selection of a complaint sample that satisfies geographic representation of the state for evaluation. HCD argues that eliminating this requirement will allow for any mobilehome owner to receive assistance from the MRLPP until funds are depleted.
4. Eliminate the documentation request step from processing complaints. HCD notes that this would reduce the amount of time it takes to process complaints and allow for the LSPs to obtain any necessary documents.
5. Eliminate the 25-day good faith negotiation period required under the MRLPP. This rule places an obligation on homeowners and parks to negotiate in good faith to resolve the issue in 25 days of notice of the complaint; if the issue is not resolved after that time, HCD is to refer the complaint to an appropriate enforcement agency or LSP. HCD notes that eliminating this rule would increase homeowner participation in the program by lessening the fear of retaliation or engaging directly with the park, and would reduce complaint processing time to allow for more immediate legal assistance.

6. Expand the authority for LSPs and/or HCD to establish contracts to specifically provide outreach and education to homeowners within mobilehome parks regarding the MRL. HCD notes that adding education and outreach can provide “powerful support in understanding whether mobilehome homeowner rights are being violated and encourage [residents to participate] in the program and seek legal assistance.”

Following the sunset report, AB 318 amended the MRLPP to require HCD to include specified information about the program in its annual reports.

In 2023, the State Auditor also conducted an audit of the MRLPP.⁵ It concluded that the program needed more transparency and information regarding the work completed by the nonprofit LSPs, and that the annual \$10 fee should be suspended given the program’s surplus. However, this audit was conducted before the changes made by AB 318, or the case work completed by the program in the intervening two and a half years.

6. AB 635 extends the MRLPP until 2030 and makes various changes to the program

With the MRLPP sunseting at the end of this year, AB 635 proposes to extend the program until June 30, 2033. It also makes a number of structural changes to the program to streamline the program and model it more closely to a grant program. It would require HCD to refer any alleged violations of the MRL, Government Code section 65863.7 (relating to requirements regarding the closure or cessation of use as a mobilehome park), or local ordinances, such as a rent stabilization ordinances, to a nonprofit LSP within five days of receipt of the complaint. It permits HCD to make multiple referrals for one complaint, as long as it avoids duplication of efforts in any such complaints. It also removes the requirement that HCD send a notice to the complaining party and park management when it selects the complaint for referral, and specifies that HCD may aggregate only multiple complaints of violations of laws or regulations within its jurisdiction.

To help transition the program into a grant process, AB 635 requires HCD to develop a grant process for awarding funds to LSPs to be put into place by July 1, 2029. It would require HCD to begin referring any alleged violations under the grant program no later than July 1, 2030. For this grant program, AB 635 largely imports the existing requirements for LSPs, except that it also requires that they have sufficient staff and financial ability to provide for legal services to homeowners and residents of mobilehome parks. It also specifies that HCD must continue to contract with nonprofit LSPs or extend any existing contracts until the grant program is fully developed, and

⁵ California State Auditor, *Mobilehome Residency Law Protection Program: The California Department of Housing and Community Development must Improve its Oversight of the Program* (Dec. 19, 2023), <https://information.auditor.ca.gov/reports/2023-112/index.html>.

that its provisions shall not be interpreted to interrupt or interfere with HCD's existing contracts or commitments under the MRLPP.

These changes aim to streamline the MRLPP referral process, so that complaints can be more quickly and efficiently processed and addressed by the LSPs and enforcement agencies. They also respond to many of the recommendations of HCD for making the program more efficient and effective. Notably, they still include a sunset date for the program, thus requiring the Legislature to revisit the program again in another three years.

7. Arguments in support

According to the Golden State Manufactured-home Owners League, which is the sponsor of AB 635:

The MRLPP is a self-funded program with no cost to the state. For many of us, our mobilehome is not only our largest investment, it is our home, our community, and the foundation of our stability. Because we own our homes, but rent the land beneath them, we live with a unique vulnerability. When disputes arise over violations of the Mobilehome Residency Law (MRL) and related mobilehome laws, we need a fair, accessible, and effective path to protect ourselves when those laws are violated.

In 2023, the State Auditor concluded the MRLPP must improve. AB 635, as amended, provides that improved path. The bill improves the complaint process by requiring timely referrals of alleged violations of the MRL, Government Code section 65863.7, and related local ordinances, including rent stabilization ordinances, to qualified nonprofits legal services providers and appropriate enforcement agencies. This is because mobilehome residents are often seniors, people with disabilities, veterans, families on fixed incomes, and low- or moderate-income and we cannot afford the expense of private legal counsel. A civil right written in law means little if mobilehome residents have no practical way to assert it or get help when it is violated.

We support the provisions requiring HCD to refer appropriate complaints to nonprofit legal services providers within five days of receipt and to confirm receipt and referral in the same medium used by the complainant. We also support the proposed grant process for qualified and experienced nonprofit legal services providers. The bill requires participating providers to have adequate experience, staffing, financial capacity, and malpractice insurance, while also ensuring that homeowners are not charged fees for services connected with referred complaints.

We further support the authority to aggregate multiple complaints when violations may involve the same park owner, common ownership structure, or common

management entity. Mobilehome residents frequently experience problems that are not isolated to one household. When similar complaints arise across a park, or across multiple parks under common ownership or management, the state should be able to recognize patterns and respond efficiently. Aggregation will reduce duplication, improve oversight, and help identify systemic practices that individual mobilehome residents may be unable to prove alone.

The continued reporting requirements will also help the Legislature evaluate the number and types of complaints received, how complaints are processed, what outcomes are achieved, and what additional improvements may be needed.

SUPPORT

Golden State Manufactured-home Owners League, Inc. (sponsor)
City of Citrus Heights

OPPOSITION

None received

RELATED LEGISLATION

Pending Legislation: None known.

Prior Legislation:

SB 1052 (Seyarto, 2024) would have required that any LSP contracted with HCD for the MRLPP to provide HCD with full access to information regarding the status of each referred case and the services provided to complainants, would have prohibited laws relating to attorney-client privilege and attorney work product from preventing disclosure to HCD, as specified, and would have limited HCD's ability to collect the annual \$10 fee to when HCD and the Department of Finance agree that the MRLPP's funds can only cover six months of expenses. SB 1052 failed passage in the Senate Housing Committee.

AB 2399 (Rendon, Ch. 397, Stats. 2024) required mobilehome park management to include information regarding the MRLPP, as specified, in notices of a mobilehome owner's rights and responsibilities that mobilehome park management must provide all mobilehome owners each year.

AB 2291 (Alanis, 2024) would have required HCD to conduct regular surveys of complaints referred to a nonprofit LSP under the MRLPP, and would have required HCD to monitor updates from the nonprofit LSPs to detect any inappropriate denial of

services and respond immediately to correct any such denials. AB 2291 died in the Senate Housing Committee.

AB 318 (Addis, Ch. 736, Stats. 2023) extended the sunset on the MRLPP from January 1, 2024 to January 1, 2027, and made a number of changes to the requirements regarding how HCD evaluates and refers complaints under the program.

AB 3066 (Stone, Ch. 774, Stats. 2018) established the Mobilehome Residency Law Protection Act.

PRIOR VOTES:

Senate Housing Committee (Ayes 8, Noes 2)

Assembly Floor (Ayes 56, Noes 11)

Assembly Appropriations Committee (Ayes 11, Noes 2)

Assembly Judiciary Committee (Ayes 8, Noes 2)

Assembly Housing and Community Development Committee (Ayes 9, Noes 1)
