
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

SB 996 (Padilla) - Manufactured housing: classification as real property

Version: April 15, 2026

Urgency: No

Hearing Date: May 14, 2026

Policy Vote: HOUSING 10 - 0

Mandate: Yes

Consultant: Mark McKenzie

Bill Summary: SB 996 would expand the types of manufactured homes that may be titled as real property by establishing a process that allows a manufactured home, mobilehome, or commercial modular that meets specified requirements but is not affixed to a permanent foundation to be classified as real property for purposes of titling and the perfection of real property security interests.

***** ANALYSIS ADDENDUM – SUSPENSE FILE *****

The following information is revised to reflect amendments
adopted by the committee on May 14, 2026

Fiscal Impact:

- The Department of Housing and Community Development (HCD) estimates costs of \$886,000 in 2027-28 and \$811,000 annually thereafter (Mobilehome-Manufactured Home Revolving Fund) as follows:
 - One-time costs of approximately \$75,000 in the first year to update internally systems, database functionality, and data reporting mechanisms.
 - Ongoing costs of approximately \$811,000 annually for 4.0 PY of new staff to develop and adopt program regulations, update internal systems, develop specified forms, coordinate with county assessors and stakeholders statewide, develop data reporting standards, revise related contracts, and for ongoing administration of the program. HCD indicates that these additional program expenses may require fee increases to cover the costs of these changes.
- Unknown state-mandated local costs for local enforcement agencies to accept applications to classify manufactured homes on permanent and semi-permanent foundations that meet the requirements of this bill as real property, and to record applicable notices. These activities are not likely to be state-reimbursable because local enforcement agencies can charge application and inspection fees to offset any increased costs. Furthermore, any local costs are likely to be minor. Ultimately, however, any determination of state-reimbursement would be made by the Commission on State Mandates, to the extent a local enforcement agency incurs costs and files a claim for reimbursement. (General Fund)

Author Amendments: Add a co-author.

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