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**HEALTH AND SAFETY CODE - HSC**

**DIVISION 13. HOUSING [17000 - 19997]** ( *Division 13 enacted by Stats. 1939, Ch. 60.*  )

**PART 2. MANUFACTURED HOUSING [18000 - 18153]** ( *Heading of Part 2 amended by Stats. 2007, Ch. 540, Sec. 2.*  )

**CHAPTER 7. Occupational Licenses [18045 - 18066.5]** ( *Chapter 7 added by Stats. 1981, Ch. 975, Sec. 3.*  )

**ARTICLE 2. Applications and Renewals [18050 - 18055]** ( *Article 2 added by Stats. 1981, Ch. 975, Sec. 3.*  )

**18050.** (a) Every applicant for an occupational license shall make application to the department for a license containing a general distinguishing number.

(b) The applicant shall submit all information as may be reasonably required by the department in carrying out the provisions of this chapter, including, but not limited to, proof of successful completion within the previous six months of the appropriate department examination and proof of his or her status as a bona fide manufacturer, distributor, dealer, dealer branch, or salesperson.

(c) The applicant shall submit an application to the department on the forms prescribed by the department. The applicant shall provide the department with information as to the applicant's character, honesty, integrity, and reputation, as the department may consider necessary. The department, by regulation, shall prescribe what information is required of the applicant for the purposes of this subdivision.

(d) (1) In conjunction with the license application, the applicant shall submit to the Department of Justice fingerprint images and related information required by the Department of Justice for the purposes of obtaining information as to the existence and content of a record of state or federal convictions, and state or federal arrests for which the Department of Justice establishes that the person is free on bail or on his or her recognizance pending trial or appeal.

(2) Upon receipt of the fingerprint images and related information described in paragraph (1) from the applicant, the Department of Justice shall forward to the Federal Bureau of Investigation a request for federal summary criminal history information.

(3) Upon receipt of federal summary criminal history information from the Federal Bureau of Investigation, the Department of Justice shall review that information and compile and disseminate a response to the Department of Housing and Community Development pursuant to paragraph (1) of subdivision (p) of Section 11105 of the Penal Code.

(4) The Department of Housing and Community Development shall request subsequent arrest notification service from the Department of Justice, as provided under Section 11105.2 of the Penal Code, for the applicant.

(5) The Department of Justice shall charge a fee sufficient to cover the cost of processing the requests described in this subdivision.

(e) Upon receipt of a complete application for a license that is accompanied by the appropriate fee, the department shall, within 120 days, make a thorough investigation of the information contained in the application.

(*Amended by Stats. 2007, Ch. 166, Sec. 1. Effective January 1, 2008.*)

**18050.5.** The department may, for a reasonable cause shown, refuse to issue a license to an applicant when it determines any of the following:

(a) The applicant was previously the holder of a license, which license was revoked for cause and never reissued, or which license was suspended for cause and the terms of suspension have not been fulfilled.

(b) The applicant was previously a limited or general partner, stockholder, director, general manager, or officer of a partnership or corporation whose license was revoked for cause and never reissued or was suspended for cause and the terms of suspension have not been fulfilled.

(c) If the applicant is a partnership or corporation, of which one or more of the limited or general partners, stockholders, directors or officers was previously the holder or a limited or general partner, stockholder, director or officer of a partnership or corporation whose license was revoked for cause and never reissued or was suspended for cause and the terms of suspension have not been fulfilled, or by reason of the facts and circumstances touching the organization, control, and management of the partnership or corporation business the policy of the business will be directed, controlled, or managed by individuals, who, by reason of their conviction of violations of the provisions of this part, would be ineligible for a license and by licensing the corporation or partnership the purposes of this part would likely be defeated.

(d) The applicant, or one of the limited or general partners, if the applicant be a partnership, or one or more of the officers or directors of the corporation, if the corporation be the applicant, or one or more of the stockholders, if the policy of the business will be directed, controlled, or managed by that stockholder or stockholders, has been convicted of a felony or a crime involving moral turpitude, or has been held liable in a civil court action for any act or conduct that involved moral turpitude and is substantially related to the qualifications, functions, or duties of the licensed activity. A conviction after a plea of nolo contendere is deemed to be a conviction within the meaning of this section.

(e) The information contained in the application is incorrect.

(f) Upon investigation, the business history required by Section 18050 contains incomplete or incorrect information, or reflects substantial business irregularities.

(g) The decision of the department to cancel, suspend, or revoke a license has been entered, and the applicant was the licensee, or a copartner, officer, director, or stockholder of that licensee.

(h) The existence of any of the causes specified in Section 18058 as a cause to suspend or revoke the license issued to a licensee.

(i) An applicant for a dealer's license has failed to effectively endorse an authorization for disclosure of an account or accounts relating to the operation of the dealership, as provided for in Section 7473 of the Government Code.

(j) The applicant has outstanding an unsatisfied final judgment rendered in connection with an activity licensed under this part.

(k) The applicant or licensee has failed to pay over funds or property received in the course of employment to a dealer entitled thereto.

(l) The applicant has acted as a manufactured home, mobilehome, or commercial coach salesperson or engaged in this activity for, or on behalf of, more than a single person whose business does not have identical ownership and structure. The activity shall be for a licensed dealer. Nothing contained in this section shall be deemed to restrict the number of dealerships of which a person may be an owner, officer, or director, nor to preclude a manufactured home, mobilehome, or commercial coach salesperson from working at more than one location of a single dealer, if the business of the dealer has identical ownership and structure.

*(Amended by Stats. 2008, Ch. 750, Sec. 2. Effective January 1, 2009.)*

**18050.7.** In addition to any other requirements imposed by this part or regulations of the department, the department shall not grant an initial manufactured home or mobilehome dealer's license to any applicant who has not satisfied all of the education and experience requirements contained in this section. If the applicant for a manufactured home or mobilehome dealer's license is a partnership, corporation, or other business entity, each person designated to participate in the direction, control, or management of the sales operation of the entity shall meet all of the education and experience requirements contained in this section prior to issuance of a manufactured home or mobilehome dealer's license by the department.

(a) The applicant either shall have held a valid manufactured home or mobilehome salesperson's license issued by the department for at least two years within the five-year period immediately preceding the application for an initial manufactured home or mobilehome dealer's license, or shall meet any of the following criteria:

(1) Has acquired a four-year degree from an accredited college or university.

(2) Has held a valid manufactured home or mobilehome salesperson's license issued by the department for one year in the past three years and acquired an associate of arts or associate of science degree from an accredited college.

(3) Has been the officer of the corporation, owner or partner of, or has held a management position relating to finance, marketing, administration, or general management with, a manufacturer of manufactured housing in any state for two years within the five years immediately preceding application for an initial manufactured home or mobilehome dealer's license.

(4) Holds a management position with a housing authority, redevelopment agency, or nonprofit housing corporation which is developing individual lots, a subdivision, or a park for the placement of manufactured homes or mobilehomes.

(5) Has been an escrow, title, or loan officer of a land title company, bank, savings and loan association, or mortgage company in a capacity directly related to financing or conveying title to manufactured housing for two years within the five years immediately preceding application for an initial manufactured home or mobilehome dealer's license.

(6) Has been a subdivider, developer, or contractor in any state for at least two years within the five years immediately preceding application for an initial manufactured home or mobilehome dealer's license, during which time the applicant developed or sold 10 lots or the equivalent.

(7) Has been the officer of a corporation, the owner or partner of a mobilehome park or mobilehome park management company in any state for at least two years within the five years immediately preceding the application for an initial manufactured home or mobilehome dealer's license.

(8) Has held a manufactured home or mobilehome dealer's license from a state other than California for at least four years within the five years immediately preceding the application for an initial manufactured home or mobilehome dealer's license, and has completed 24 hours of continuing education class in California, in addition to the preliminary education requirement of subdivision (b).

(9) Has previously held a valid manufactured home or mobilehome dealer's license issued by the department, or was a person designated to participate in the direction, control, or management of the sales operations of a partnership, corporation, or other business entity that previously held a valid manufactured home or mobilehome dealer's license issued by the department and the license has never been revoked for cause, and never reissued, or suspended for cause and the terms of suspension have not been fulfilled.

(10) Has any combination of the above experience that would provide at least two years of experience within the five years immediately preceding the application for an initial manufactured home or mobilehome dealer's license. The two years of experience shall not be concurrent.

(b) The applicant shall have met the applicable preliminary education requirements for the manufactured home or mobilehome dealer's license under paragraph (5) of subdivision (b) of Section 18056.2.

(c) The department may adopt regulations, as necessary, to implement this section.

*(Amended by Stats. 2000, Ch. 555, Sec. 1. Effective January 1, 2001.)*

**18051.** (a) Except where the provisions of this part require the refusal to issue a license, the department may issue a probationary license subject to conditions to be observed by the licensee in the exercise of the privilege granted. The conditions to be attached to the exercise of the privilege shall not appear on the face of the probationary license, but shall, in the judgment of the department, be in the public interest and suitable to the qualifications of the applicant as disclosed by the application and investigation by the department of the information contained therein.

(b) Within 60 days after issuance of a probationary license, the applicant may demand, in writing, a hearing before the director or his or her representative.

*(Added by Stats. 1981, Ch. 975, Sec. 3.)*

**18052.** (a) Pending the satisfaction of the department that the applicant meets the requirements under this article, it may issue a temporary permit to any person applying for a license for a period not to exceed 120 days while the department is completing its investigation and determination of all facts relative to the qualifications of the applicant to the license. The department may cancel a temporary permit when it determines or has reasonable cause to believe that the application is incorrect, fraudulent, or incomplete, or that the temporary permit was issued in error. The temporary permit shall be invalid immediately when canceled by the department or when the applicant's license has been issued or refused.

(b) Upon refusal of the department to issue a license to an applicant, the applicant may demand, in writing, a hearing before the director or his or her representative within 60 days after notice of refusal and receipt of a statement of issues.

*(Amended by Stats. 1985, Ch. 199, Sec. 3.)*

**18052.5.** The department may issue a certificate of convenience to the executor, executrix, administrator, or administratrix of the estate of a deceased holder of a validly outstanding license issued under this part, or, if no executor, executrix, administrator, or administratrix has been appointed and until a certified copy of an order making the appointment is filed with the department, to the surviving spouse or another heir otherwise entitled to conduct the business of the deceased. The certificate shall permit that person to exercise the privileges granted by the license for a period of one year from and after the date of death. The department may issue necessary one-year renewals of that certificate pending, but not later than, disposal of the business and qualification of the vendee of the business or the surviving spouse, heir, or other persons for the license under the provisions of this part. The department may restrict or condition the certificate of convenience or the license and attach to the exercise of the privileges thereunder those terms and conditions as it determines are necessary for the protection of the public.

*(Added by Stats. 1981, Ch. 975, Sec. 3.)*

**18052.6.** (a) Notwithstanding any of the provisions of this chapter, the department may, on a one-time-only basis, issue a 90-day certificate to an applicant for an original salesperson's license. The certificate shall permit that person to exercise the privileges granted by the license for a period not to exceed 90 days from the date of issuance. Any person, while acting under the authority of the 90-day certificate, shall not execute any documents, contracts, or listing agreements, or accept any cash or cash equivalent, for the sale or lease of a new or used manufactured home.

(b) Prior to the expiration of the 90-day certificate, the holder shall complete all other requirements prescribed under this chapter, in order to continue as a salesperson past the expiration date of the 90-day certificate.

(c) The department may restrict or condition the 90-day certificate, and attach to the exercise of the privileges thereunder, those terms and conditions as it determines are necessary for the protection of the public.

(d) The department may establish a fee to cover the costs for the issuance of the 90-day certificate.

(e) The department shall report to the Legislature the number of 90-day certificates issued and the name and address of the employing dealer of the salesperson holding the certificate during the year 1990.

*(Added by Stats. 1989, Ch. 875, Sec. 2.)*

**18052.7.** No dealer shall employ more than three salespersons licensed pursuant to a 90-day certificate at his or her established place of business at any one time. In the case where a dealer has more than one established place of business, the dealer may employ up to three salespersons licensed pursuant to a 90-day certificate at each place of business. If a dealer employs a salesperson licensed pursuant to a 90-day certificate, the dealer shall designate a responsible managing employee who shall directly supervise those salespersons at each established place of business at which they are employed. The dealer shall bear full legal responsibility for all actions of employed salespersons licensed pursuant to a 90-day certificate.

*(Added by Stats. 1989, Ch. 875, Sec. 3.)*

**18053.** A person whose license has been revoked or whose application for a license has been denied shall not reapply for a license for a period of at least one year from the effective date of the decision revoking the license or denying the application, except, if the decision was entered under the authority of subdivision (a), (b), (g), or (j) of Section 18050.5 or subdivision (b) of Section 18060, a reapplication, accompanied by evidence satisfactory to the department that the grounds for that decision no longer exist, may be made earlier than that one-year period.

*(Added by Stats. 1981, Ch. 975, Sec. 3.)*

**18053.5.** (a) Except as otherwise provided in this section, every applicant for a manufactured home, mobilehome, or commercial coach dealer's or salesperson's license shall be required to take and successfully complete a written examination, prepared and administered by the department. The examination shall include, but not be limited to, subjects relating to manufactured homes, mobilehomes, and commercial coaches, laws relating to contracts for the sale of manufactured homes, mobilehomes, and commercial coaches, laws covering truth in lending, and departmental and warranty requirements.

(b) The department may administer an oral examination in lieu of the written examination required by subdivision (a) under the following conditions:

(1) To any person who applies for a manufactured home, mobilehome, or commercial coach salesperson's license.

(2) To any person who applies for a manufactured home, mobilehome, or commercial coach dealer's license if the person is not the sole owner of the dealership and there are other persons within the ownership structure who meet the requirements of subdivision (a).

(3) To any person with a physical handicap if the handicap makes the taking of a written examination unreasonable.

(c) No person, who, on July 1, 1976, held a then valid salesperson's license issued pursuant to the Vehicle Code and who has, continuously, for the same employer, been a salesperson of manufactured homes, mobilehomes, or commercial coaches, shall be required to take the examination specified in subdivision (a).

(d) No person, who, on July 1, 1976, held a then valid salesperson's license issued pursuant to the Vehicle Code and who has continuously been a manufactured home, mobilehome, or commercial coach dealer, shall be required to take the examination specified in subdivision (a), regardless of whether the person subsequently makes an application to do business under a different name or form of business organization. However, a salesperson of manufactured homes, mobilehomes, or commercial coaches who makes an application for a manufactured home, mobilehome, or commercial coach dealer's license shall be required to take and successfully complete the examination specified in subdivision (a).

(e) If the applicant for a manufactured home, mobilehome, or commercial coach dealer's license is a corporation or partnership, only those persons who will participate in the direction, control, or management, or any combination thereof, of the sales operations of the

business, or who act in the capacity of a manufactured home, mobilehome, or commercial coach salesperson, shall be required to take and successfully complete the examination specified in subdivision (a). However, if no officer or director of the corporation or a partner, or the partners thereof participates in the direction, control, or management, or any combination thereof, of the sales operations of the business, or acts in the capacity of a manufactured home, mobilehome, or commercial coach salesperson, the corporation or partnership shall designate and maintain a responsible managing employee who is a licensed manufactured home, mobilehome, or commercial coach salesperson and who shall be required to take, and successfully complete, the examination specified in subdivision (a) for a dealer's license before a dealer's license may be issued.

(f) Every person who applies to the department to take the examination required under this section for a dealer's or salesperson's license shall pay to the department a fee established by the department.

*(Amended by Stats. 1986, Ch. 552, Sec. 1. Effective August 22, 1986.)*

**18054.** (a) The department, upon granting a license, shall issue to the applicant a license with a size and format established by the department containing at least the applicant's name and address, the general distinguishing number assigned to the applicant and expiration date. For salespersons, the license shall also state the name and address of the employing dealer. The department may issue other forms of identification to licensees.

(b) The department shall also furnish books and forms as it may determine necessary. All books, forms, and licenses shall remain the property of the department and may be taken up at any time for inspection.

(c) A licensee shall promptly obtain a replacement license when the original is either lost or mutilated, and, in the case of a salesperson, when changing his or her name, employment, or residence address.

(d) Whenever the department cancels, suspends, or revokes a license, the licensee or person in possession shall immediately return the license, documents, transportation decals, report of sales books, certificates, and other evidence of licensure to the department.

*(Amended by Stats. 1996, Ch. 394, Sec. 3. Effective January 1, 1997.)*

**18054.7.** (a) Every occupational license issued to a manufacturer, distributor, dealer, or salesperson shall expire on the last day of the 24th month following the date of issuance of the temporary permit, pursuant to Section 18052.

(b) Every occupational license renewed by a manufacturer, distributor, dealer, or salesperson shall be for a term of 24 months.

(c) Applications to renew an occupational license held by a manufacturer, distributor, dealer, or salesperson shall be received by the department or postmarked during the month of expiration. An expired occupational license may be reinstated upon application for reinstatement to the department within 60 days of expiration. The application for reinstatement shall be accompanied with the payment of all renewal fees and a reinstatement fee equal to 50 percent of the renewal fee.

(d) Holders of an expired occupational license shall discontinue all activities of a licensee until a new license or temporary permit is obtained from the department, except that an applicant for renewal may continue to operate with an expired occupational license, provided all other requirements of rules, regulations, and laws governing their activities are met, until the application for renewal is approved or denied.

*(Amended by Stats. 1996, Ch. 394, Sec. 4. Effective January 1, 1997.)*

**18055.** (a) The department may require that fees shall be paid to the department for the issuance or renewal of a license to do business as a licensee. The fees shall reimburse the department for costs incurred in administration and enforcement of this chapter. The department may refuse to renew a license if a licensee has failed to pay any fees or penalties due the department pursuant to this part.

(b) Any person required to be licensed under this chapter who fails to make application for a license when required shall, in addition to the fees required pursuant to subdivision (a), pay a penalty of 50 percent of the license fee.

*(Amended by Stats. 1996, Ch. 394, Sec. 5. Effective January 1, 1997.)*