

## MANUFACTURED HOUSING PARKS: RESIDENT RIGHTS

**House Bills 4868 and 4869** 

Sponsor: Rep. Ruth Ann Jamnick

**Committee: Commerce** 

**Complete to 10-1-03** 

## A SUMMARY OF HOUSE BILLS 4868 AND 4869 AS INTRODUCED 6-19-03

<u>House Bill 4868</u> would create the Manufactured Home Owners' Residency Act, which would impose certain restrictions on the activities of owners and operators of manufactured home (mobile home) parks. <u>House Bill 4869</u> would create the Manufactured Home Owners Association Act, which would allow residents of parks to organize an association and would prohibit a park owner from harassing or evicting a park resident based on the organization of such an association. The two bills are tie-barred to each other, meaning neither could take effect unless they both did.

The Manufactured Home Owners' Residency Act created by <u>House Bill 4868</u> would put into statute a number of restrictions on the conduct of owners and operators of manufactured home parks, including the following.

- A park owner could not deal directly or indirectly in new or used manufactured home sales and could not offer a monetary incentive to a potential purchaser of a manufactured home within a manufactured home park.
- A park owner would be prohibited from making or enforcing a rule, regulation, or rental agreement provision that 1) denied a park resident the right to sell his or her home within the park; 2) required a resident to remove the home from the park solely on the basis of a sale or a proposed sale of the home; and 3) required a resident to remove a home from a park for the purpose of renovating or modernizing the park.
- A park owner could not directly or indirectly prohibit the use of a "for sale" sign within a park, although the park owner could impose restrictions on the size and location of signs.
- A park owner could not directly or indirectly prohibit the use of a sign for a political party, political candidate, or political issue endorsement within a manufactured home park, although a park owner could impose restrictions on size, location, and length of time displayed.

[A violation of either sign prohibition would be subject to a civil fine of up to \$10,000 for each violation. A civil fine would be in addition to any criminal penalties prescribed in the new act. The fine would be paid to the state treasurer for deposit in the general fund.]

• A park owner could not prohibit a park resident from parking in the resident's driveway a small commercial vehicle used by the resident in his or her occupation.

- A park owner could not threaten a park resident with unlawful eviction (in violation of Section 5775 of the Revised Judicature Act) or initiate an unlawful eviction against a park resident. A person who violated this provision would be guilty of a misdemeanor punishable by imprisonment for not more than 90 days or a fine of not more than \$10,000, or both.
- A park owner would be prohibited from charging a park resident for installing a utility meter on the resident's manufactured home and could not charge a park resident a surcharge for the purpose of billing the utility service to the resident.
- In manufactured home park where the residents had formed a homeowners' association, there could be no increase in home lot rentals until the park owner and the association agreed on the amount of the increase. If an agreement could not be reached, the parties would have to submit the dispute to binding arbitration for resolution, with the arbitration fees to be shared equally by the owner and the association.
- A park owner would have to provide a park resident with 90 days' notice before implementing an increase in a fee, charge, or other type of assessment relating to park residency.
- A park owner could not establish a rule or regulation that was unreasonable, arbitrary, or capricious.

Under <u>House Bill 4869</u>, which would create the new Manufactured Home Owners Association Act, a park resident could organize a homeowners' association and a park owner would be prohibited from harassing or evicting a park resident because that resident organized, was organizing, or became a member of the association. The bill would specifically permit a park resident, in organizing an association, to distribute fliers and to knock on doors with the manufactured home park.

Under both new acts, the attorney general or an affected individual could bring an action to enforce the act in a court of competent jurisdiction in a county where the defendant resided or did business.

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This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.