

**SUBSTITUTE FOR
HOUSE BILL NO. 4301**

A bill to amend 1987 PA 96, entitled
"The mobile home commission act,"
by amending sections 4, 35, and 43 (MCL 125.2304, 125.2335, and
125.2343), sections 4 and 43 as amended by 2015 PA 40.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. (1) The commission may do all of the following:
2 (a) After consultation with ~~and considering comments from~~
3 **consumer advocates, legal aid groups,** representatives of the
4 manufactured housing industry, **residential groups, local**
5 **governments,** and other interested parties, **including, but not**
6 **limited to, organizations known by the commission to represent**
7 **residents of mobile home parks,** recommend rules to the department
8 to implement and administer this act.



(b) Act for the purpose of establishing a uniform policy relating to all phases of mobile home businesses, mobile home parks, and seasonal mobile home parks.

(c) Determine the sufficiency of local mobile home ordinances that are designed to provide local governments with superintending control over mobile home businesses, mobile home parks, or seasonal mobile homes parks.

(d) Conduct public hearings relating to the powers prescribed in this subsection.

(2) ~~The director or an authorized representative of the director~~**department** shall do all of the following:

(a) **Employ an appropriate number of employees with the appropriate qualifications as required to implement and enforce this act and the rules promulgated under this act, including, but not limited to, staff to conduct community inspections, review financial information, manage the licensing process, and investigate potential violations of this act and the rules promulgated under this act.**

(b) ~~(a)~~After consultation with and considering comments from representatives of the manufactured housing industry and other interested parties, promulgate rules to implement and administer this act.

(c) ~~(b)~~Conduct hearings relating to violations of this act or rules promulgated under this act.

(d) ~~(e)~~Make investigations to determine compliance with this act and rules promulgated under this act.

(e) ~~(d)~~Provide assistance to the commission as the commission requires.

(f) ~~(e) On not less than a quarterly basis,~~**At every quarterly**



1 **meeting of the commission**, report to the commission on the
 2 expenditure of all fees collected under this act and the relation
 3 of those expenditures to the enforcement and administration of this
 4 act.

5 (g) ~~(f)~~—Post and maintain on the department's website all
 6 current guidelines.

7 (h) ~~(g)~~—Promptly notify a local government of the issuance,
 8 amendment, or rescission of a guideline if the department has
 9 knowledge that a mobile home park or seasonal mobile home park is
 10 located in, or an application has been filed for the licensure of a
 11 park proposed to be located in, the local government. The notice
 12 shall be sent by first-class mail or ~~electronic mail~~ **email** to each
 13 of the following:

14 (i) The clerk of the local government.

15 (ii) The chief executive officer of the local government.

16 (iii) The enforcing agency for the local government if, under
 17 section 8a or 8b of the Stille-DeRossett-Hale single state
 18 construction code act, 1972 PA 230, MCL 125.1508a and 125.1508b,
 19 the local government has assumed responsibility for the
 20 administration and enforcement within its jurisdiction of that act
 21 and the state construction code or a part of the state construction
 22 code of limited application.

23 (i) ~~(h)~~—If the department receives a complaint about a
 24 condition at a mobile home park or seasonal mobile home park that
 25 imminently threatens the health or safety of the residents of the
 26 park, promptly notify each local government in which the park is
 27 located of the details of the complaint.

28 (3) The commission shall not regulate mobile homes that are
 29 not located within a mobile home park or a seasonal mobile home



1 park, except as relates to the business, sales, and service
2 practices of mobile home dealers and the business practices of
3 mobile home installers and repairers.

4 (4) Not later than January 1, 2023, the department shall
5 establish or cause to be established a database of mobile home park
6 owners that includes every licensed mobile home park owner's
7 contact information, license number, and current licensing status
8 and shall make the database available to the public on the
9 department's website. The database must include each mobile home
10 park owner that has a license to operate a mobile home park. The
11 department must establish a method in which the public may submit a
12 reporting form on its website regarding potentially unlicensed
13 mobile home park owners and the department must update the public
14 database within 30 days of a change in licensure status. To the
15 extent it complies with the requirements of this subsection and
16 subsection (5), the department may utilize an existing database.

17 (5) The database described in subsection (4) must provide a
18 means by which a mobile home park owner may update the mobile home
19 park owner's contact information. Every mobile home park owner must
20 designate an individual who is an owner, officer, director, or
21 employee of the mobile home park owner as the mobile home park
22 owner's designee to communicate with the department and must
23 provide that individual's contact information to the department,
24 including the individual's current street address, monitored email
25 address, and operational telephone number. A mobile home park owner
26 must notify the department within 30 days if the mobile home park
27 owner sells a mobile home park and if the mobile home park owner's
28 designee changes. If a mobile home park owner fails to update the
29 information required in this subsection, the department may assess



1 an administrative fine of \$50.00 on the mobile home park owner
 2 after notice and a hearing as provided under the administrative
 3 procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328. The
 4 mobile home park owner must pay the fine assessed under this
 5 subsection before the department issues or renews a license to the
 6 mobile home park owner.

7 Sec. 35. (1) A person ~~who~~**that** applies for a license **to own a**
 8 **mobile home park or seasonal mobile home park or a construction**
 9 permit under this act, ~~which is for~~ other than a domestic
 10 corporation, shall file with the commission, in a form the
 11 commission prescribes, an irrevocable consent **to service of process**
 12 appointing the commission to be ~~its~~**the person's** attorney to
 13 receive service of lawful process in any noncriminal action or
 14 proceeding against ~~it or its~~**that person or that person's**
 15 successor, executor, or administrator ~~, which~~**that** arises under
 16 this act or a rule promulgated or order issued under this act after
 17 the consent **to service of process** is filed. ~~Service of process~~
 18 **pursuant to this subsection applies** with the same force and
 19 validity as if served personally on the person filing the consent
 20 **to service of process.**

21 (2) When a person, including a nonresident of this state,
 22 engages in conduct prohibited or made actionable by this act or a
 23 rule promulgated or order issued under this act, whether or not
 24 consent to service of process was filed and personal jurisdiction
 25 over ~~him or her~~**that person** cannot otherwise be obtained in this
 26 state, **engagement in** that conduct ~~shall be~~**prohibited or made**
 27 **actionable by this act or a rule promulgated or order issued under**
 28 **this act is** considered equivalent to ~~his or her~~**the person's**
 29 appointment of the commission to be ~~his or her~~**the person's**



1 attorney to receive service of lawful process in a noncriminal
 2 action or proceeding against ~~him or her or his or her~~ **that person**
 3 **or that person's** successor, executor, or administrator. ~~which grows~~
 4 ~~out of that conduct and which is brought under this act or a rule~~
 5 ~~promulgated or order issued under this act,~~ **Service of process**
 6 **pursuant to this subsection applies** with the same force and
 7 validity as if served on the person personally.

8 (3) Service **of process** under subsection (1) or (2) may be made
 9 by filing a copy of the process in the office of the commission
 10 together with a \$25.00 fee. The service is not effective unless ~~the~~
 11 ~~plaintiff, which may be the commission in an action or proceeding~~
 12 ~~instituted by it,~~ immediately sends notice of the service and a
 13 copy of the process, **within 5 days of the receipt of the process,**
 14 by registered or certified mail to the ~~defendant or respondent at~~
 15 ~~his or her last known~~ **Michigan address of the defendant or**
 16 **respondent** or takes other steps ~~which that~~ are reasonably
 17 calculated to give actual notice, ~~and the plaintiff's to the~~
 18 **defendant or respondent. The commission shall file the** affidavit or
 19 **other proof of** compliance with this section ~~is filed in the case on~~
 20 or before the return day of the process, if any, or within such
 21 further time as the court allows.

22 Sec. 43. (1) If, after notice and a hearing as provided in the
 23 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
 24 24.328, a person is determined to have violated this act, the
 25 commission may impose 1 or more of the following penalties:

- 26 (a) Censure.
- 27 (b) Probation.
- 28 (c) License limitation.
- 29 (d) License suspension. The commission may request the



1 appointment of a receiver when taking action under this
2 subdivision.

3 (e) License revocation. The commission may request the
4 appointment of a receiver when taking action under this
5 subdivision.

6 (f) License denial.

7 (g) **An administrative fine of not more than \$5,000.00.**

8 (h) ~~(g)~~ A civil fine of not more than \$50,000.00.

9 (i) ~~(h)~~ Restitution.

10 (2) If the department determines that a mobile home park
11 located in this state is owned by a person that does not have a
12 license issued by the department to own that mobile home park, the
13 department shall provide written notice to the unlicensed owner of
14 the mobile home park. The department shall forward a copy of the
15 written notice provided to an unlicensed owner of a mobile home
16 park under this subsection to the clerk of the city, village, or
17 township where the mobile home park is located. The written notice
18 provided under this subsection must require the unlicensed owner of
19 the mobile home park to apply to the department for licensure
20 within 30 days of the date of the notice. If the unlicensed owner
21 of the mobile home park does not apply for licensure within the 30-
22 day period provided under this subsection, the department shall
23 commence proceedings to impose a fine on the unlicensed owner of
24 the mobile home park. If the department determines that a person
25 owned a mobile home park or seasonal mobile home park without a
26 license as required under section 16, the department shall impose a
27 fine of not more than \$100,000.00 after notice and a hearing as
28 provided under the administrative procedures act of 1969, 1969 PA
29 306, MCL 24.201 to 24.328. The department shall advise the attorney



1 general of the failure of any person to pay any fine imposed under
2 this section. The attorney general shall bring a civil action in a
3 court of competent jurisdiction to recover the fine.

4 (3) ~~(2)~~—A fine imposed under subsection (1) may be collected
5 by the imposition of a judgment lien by a court or obtaining a writ
6 of garnishment against the person determined to have violated this
7 act. A writ of garnishment under this section must be issued by a
8 court of competent jurisdiction and directed to this state or the
9 state treasurer to satisfy the fine. To obtain a writ of
10 garnishment under this subsection, the commission must comply with
11 the requirements of chapter 40 of the revised judicature act of
12 1961, 1961 PA 236, MCL 600.4001 to 600.4065. A fine collected under
13 this section shall be deposited with the state treasurer and
14 credited to the mobile home code fund created in section 9.

15 (4) ~~(3)~~—If the department determines that the owner or
16 operator of a mobile home park or seasonal mobile home park has
17 violated this act or rules promulgated under this act by failing to
18 maintain or repair any infrastructure or facilities of the mobile
19 home park or seasonal mobile home park, the department shall give
20 notice of the determination by personal service or first-class mail
21 to the local governments where the mobile home park is located, the
22 owner, the operator, and, if financial assurance in the form of a
23 bond has been posted under rules promulgated under section 16(2),
24 the surety executing the bond. If the owner, operator, or surety
25 does not perform or commence the specified maintenance or repair
26 within 60 days after service of the notice, the department or its
27 authorized representative may enter the mobile home park or
28 seasonal mobile home park and perform the specified maintenance or
29 repair. At the request of the owner, operator, or surety, the



1 department may grant an extension of up to an additional 90 days.
 2 The owner, operator, and any surety are jointly and severally
 3 liable for all expenses incurred by the department or its
 4 authorized representative in performing the specified maintenance
 5 or repair. The department shall certify the claim to the owner,
 6 operator, and any surety, listing in the claim the items of expense
 7 in performing the maintenance or repair, and shall draw on any
 8 financial assurance for the payment of the claim. The department
 9 shall notify the local government where the mobile home park is
 10 located when the specified maintenance or repair has been
 11 completed.

12 (5) ~~(4)~~—This section does not prohibit actions from being
 13 taken under other sections of this act.

14 (6) ~~(5)~~—The pursuit in court of the lawful rights of a
 15 licensee does not constitute a violation of this act, regardless of
 16 the outcome of the court action.

17 Enacting section 1. This amendatory act does not take effect
 18 unless all of the following bills of the 101st Legislature are
 19 enacted into law:

- 20 (a) House Bill No. 4298.
- 21 (b) House Bill No. 4299.
- 22 (c) House Bill No. 4300.
- 23 (d) House Bill No. 4302.
- 24 (e) House Bill No. 4303.
- 25 (f) House Bill No. 4304.

