SUBSTITUTE FOR HOUSE BILL NO. 4304

A bill to amend 1987 PA 96, entitled "The mobile home commission act,"

(MCL 125.2301 to 125.2350) by adding section 30j.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- Sec. 30j. (1) An owner of a mobile home park at which a mobile home owned by another person is located may declare the mobile home abandoned if all of the following conditions are met:
- 4 (a) A court of competent jurisdiction issued an order pursuant 5 to chapter 57 of the revised judicature act of 1961, 1961 PA 236,
- 6 MCL 600.5701 to 600.5759, or chapter 57a of the revised judicature
- 7 act of 1961, 1961 PA 236, MCL 600.5771 to 600.5785, restoring
- 8 possession of the premises to the mobile home park owner.
- 9 (b) Either the mobile home has been continuously unoccupied

- 1 for at least 90 days after the court issued the order under
- 2 subsection (1)(a) or rent has not been paid for at least 10 days
- 3 after the court issued the order under subdivision (a).
- 4 (c) Any indebtedness that is secured by the mobile home or is
- 5 related to a lease agreement or terms of the tenancy between the
- 6 mobile home park owner and the mobile home owner is delinquent.
- 7 (d) The mobile home park owner has a license to own the mobile
- 8 home park under section 16.
- 9 (2) Before declaring a mobile home abandoned but after meeting
- 10 the requirements of subsection (1), the mobile home park owner must
- 11 do all of the following:
- 12 (a) Using industry standards, calculate the fair market value
- 13 of the mobile home and determine whether the fair market value of
- 14 the mobile home exceeds the sum of the amount of rent due and
- 15 unpaid for the premises occupied by the mobile home, any unpaid
- 16 fees, and any unpaid utility service fees that are owed to the
- 17 mobile home park by the mobile home owner.
- 18 (b) Affix a notice of intent to declare the mobile home
- 19 abandoned on the mobile home.
- 20 (c) Send a copy of the notice of intent to declare the mobile
- 21 home abandoned and a copy of the complete appraisal or other
- 22 valuation document on which the mobile home park owner relied to
- 23 determine the fair market value of the mobile home by certified
- 24 United States Postal Service mail to the mobile home owner, all
- 25 persons identified on the lease agreement between the mobile home
- 26 park owner and the mobile home owner, all forwarding addresses
- 27 provided by the mobile home owner to the mobile home park owner,
- 28 and all lienholders at the addresses listed on the mobile home
- 29 owner's title.

- 1 (d) File a copy of the notice of intent to declare the mobile 2 home abandoned with the secretary of state.
- 3 (3) If the mobile home park owner determines that the fair market value of the mobile home, as calculated under subsection 4 5 (2)(a), exceeds the sum of the amount of rent due and unpaid for 6 the premises occupied by the mobile home, any unpaid fees, and any 7 unpaid utility service fees that are owed to the mobile home park 8 by the mobile home owner, the mobile home park owner shall, upon 9 filing the notice of intent to declare the mobile home abandoned 10 under subsection (2), make a good-faith effort to send a written 11 notice to the mobile home owner that he or she is entitled to 12 receive the amount of the excess from the mobile home park, subject 13 to any liens on the mobile home, that is equal to the fair market 14 value of the mobile home minus the sum of the amount of rent due 15 and unpaid for the premises occupied by the mobile home, any unpaid 16 fees, and any unpaid utility service fees that are owed to the 17 mobile home park by the mobile home owner. A written notice sent 18 pursuant to this subsection must include a check for the amount of 19 the excess and a written statement in at least 12-point boldfaced 20 type that substantially conforms to the following:

"This payment is being sent to you pursuant to section 30j of the mobile home commission act, 1987 PA 96, MCL 125.2330j. The amount is determined by subtracting the amount of rent due and unpaid for the premises occupied by your mobile home, any unpaid fees, and any unpaid utility service fees that you owe to the mobile home park from the fair market value of your mobile home.

21

22

23

24

25

26

27

28

29

If you accept this payment, by cashing the check, depositing the check into your bank account, or negotiating the check, you agree and acknowledge that the calculation of the fair market value

- 1 of your mobile home is accurate and that you are releasing the
- 2 mobile home park from any further liability that arises under
- 3 section 30j of the mobile home commission act, 1987 PA 96, MCL
- 4 125.2330j.
- 5 If you do not agree with the calculation of the fair market
- 6 value of your mobile home, you have the right to do both of the
- 7 following:
- Refuse acceptance of this payment by not cashing the check,
- 9 depositing the check into your bank account, or negotiating the
- 10 check.
- 11 2. Dispute the mobile home park's calculation of the fair
- 12 market value of your mobile home by bringing an action in a court
- 13 of competent jurisdiction to recover any excess amount you allege
- 14 that is owed to you.".
- 15 (4) Upon receiving a notice of intent to declare a mobile home
- 16 abandoned, the secretary of state shall, within 10 days of the
- 17 receipt of the notice, send a written notice by United States
- 18 Postal Service mail to the mobile home owner and any lienholder at
- 19 all current addresses the secretary of state has in its records for
- 20 the mobile home owner and the lienholder. The written notice sent
- 21 by the secretary of state under this subsection must contain all of
- 22 the following:
- 23 (a) A statement explaining the requirements of this section.
- 24 (b) The secretary of state's contact information if the mobile
- 25 home owner intends to contest the declaration that the mobile home
- 26 is abandoned.
- 27 (c) A statement explaining that the mobile home owner may
- 28 contest the declaration that the mobile home is abandoned before a
- 29 court of competent jurisdiction.

5

- 1 (5) Upon receipt of a notice of intent to declare the mobile
- 2 home abandoned, the mobile home owner or a lienholder may enter
- 3 into the mobile home park to remove the mobile home. A mobile home
- 4 owner or a lienholder removing the mobile home under this
- 5 subsection is responsible to the mobile home park owner for all
- 6 actual damages to the mobile home park that result from the removal
- 7 of the mobile home and any amount owed under subsection (7). On
- 8 request of the mobile home owner or a lienholder, the mobile home
- 9 park owner must provide an itemized receipt that details the actual
- 10 damages to the mobile home park and any amount owed under
- 11 subsection (7).
- 12 (6) If a mobile home that is not encumbered by a lien remains
- 13 in the mobile home park for at least 30 days after the date the
- 14 written notice required to be sent by the secretary of state under
- 15 subsection (4) is postmarked, the mobile home park owner may
- 16 declare the mobile home abandoned and may apply to the secretary of
- 17 state to obtain title to the mobile home.
- 18 (7) If a mobile home that is encumbered by a lien remains in
- 19 the mobile home park for at least 60 days after the date of the
- 20 notice required to be sent by the owner of the mobile home park
- 21 under subsection (2)(c) is postmarked, the lienholder must inform
- 22 the mobile home park owner that the lienholder will not retain
- 23 ownership of the mobile home, remove the mobile home from the
- 24 mobile home park, or provide a written or electronic notice to the
- 25 mobile home park owner of the lienholder's intent to retain
- 26 ownership of the mobile home and remove the mobile home from the
- 27 mobile home park. If the lienholder notifies the mobile home park
- 28 owner that the lienholder intends to retain ownership of the mobile
- 29 home, the lienholder may, upon the payment of rent and fees that

- 1 have accrued from the date of the notice under subsection (2)(c),
- 2 keep the mobile home in the mobile home park as long as the
- 3 lienholder pays standard monthly lot rent, utility service fees,
- 4 and other normal charges from the date of the notice under
- 5 subsection (2)(c) until the mobile home is removed from the mobile
- 6 home park or sold to a new owner who enters into a lease agreement
- 7 with the mobile home park owner. A payment made under this
- 8 subsection is subject to late fees, nonsufficient fund fees, and
- 9 other service charges provided under the mobile home park's rent or
- 10 fee schedule. If the lienholder fails to meet the requirements of
- 11 this subsection or informs the mobile home park that the lienholder
- 12 will not retain ownership of the mobile home, all liens on the
- 13 mobile home are extinguished and the mobile home park owner may
- 14 declare the mobile home abandoned and may apply to the secretary of
- 15 state to obtain title to the mobile home.
- 16 (8) If a mobile home park owner applies for a title to the
- 17 mobile home under this section, the mobile home park owner shall
- 18 include with the application for a title an affidavit that includes
- 19 all of the following statements:
- 20 (a) That the affiant is the licensed owner of the mobile home
- 21 park in which the mobile home is located.
- 22 (b) That the title of the mobile home is being transferred to
- 23 the licensed owner of the mobile home park in which the mobile home
- 24 is located.
- 25 (c) That the mobile home park owner complied with all of the
- 26 requirements of this section.
- 27 (d) That the mobile home park owner is not aware of any
- 28 challenge to the declaration that the mobile home is abandoned or
- 29 any proceeding in a court of competent jurisdiction challenging the

- 1 declaration that the mobile home is abandoned.
- 2 (9) The secretary of state may require that the mobile home
- 3 park owner provide proof of its compliance with this section in the
- 4 application to transfer the title of the mobile home to the mobile
- 5 home park owner.
- 6 (10) The secretary of state shall, 10 days after receipt of
- 7 the complete application to transfer the title of the mobile home
- 8 to the mobile home park owner, issue title to the mobile home park
- 9 owner.
- 10 (11) Except as otherwise provided in subsection (7), if there
- 11 is evidence of a United States Postal Service mail return receipt
- 12 showing proof of delivery of the notice described in subsection (2)
- 13 from each lienholder required to be notified under subsection (2),
- 14 a title issued by the secretary of state to the mobile home park
- 15 owner is free of all liens.
- 16 (12) As part of the transfer of title to an abandoned mobile
- 17 home, the owner of a mobile home is entitled, subject to any liens,
- 18 to the fair market value of the mobile home minus the sum of the
- 19 amount of rent due and unpaid for the premises occupied by the
- 20 mobile home, any unpaid fees, and any unpaid utility service fees
- 21 to the mobile home park by the mobile home owner. If a mobile home
- 22 park owner takes title to a mobile home under the process outlined
- 23 in this section and the amount calculated under subsection (2)(a)
- 24 is less than zero, the lienholder has no further payment obligation
- 25 with regard to the mobile home and is not responsible for any
- 26 additional fees or costs owed to the mobile home park. If a mobile
- 27 home park owner takes title to a mobile home under the process
- 28 outlined in this section and the amount calculated under subsection
- 29 (2) (a) is greater than zero, the mobile home park owner shall do

- 1 all of the following:
- 2 (a) If the mobile home is not subject to a lien, within 90
- 3 days of receiving title, the mobile home park owner shall make a
- 4 good-faith effort to pay to the mobile home owner from which the
- 5 mobile home park owner received the title the amount calculated
- 6 under subsection (2)(a).
- 7 (b) If the mobile home is subject to a lien, within 90 days of
- 8 receiving title, the mobile home park owner shall pay to any
- 9 lienholder the amount for which the lienholder has provided written
- 10 evidence to the mobile home park owner as due and owing to that
- 11 lienholder. If any balance remains after the payment, the mobile
- 12 home park owner shall make a good-faith effort to pay the remaining
- 13 balance to the owner of the mobile home from which the mobile home
- 14 park owner received the title.
- 15 (c) If the owner of the mobile home from which the mobile home
- 16 park owner received the title does not claim the amount due under
- 17 subdivision (a) or the balance remaining under subdivision (b), the
- 18 mobile home park owner shall remit those amounts to the department
- 19 of treasury in accordance with the uniform unclaimed property act,
- 20 1995 PA 29, MCL 567.221 to 567.265.
- 21 (13) An owner of a mobile home not located within a mobile
- 22 home park may apply for a certificate of title under section 30a.
- 23 Enacting section 1. This amendatory act does not take effect
- 24 unless all of the following bills of the 101st Legislature are
- 25 enacted into law:
- **26** (a) House Bill No. 4298.
- 27 (b) House Bill No. 4299.
- 28 (c) House Bill No. 4300.
- 29 (d) House Bill No. 4301.

- 1 (e) House Bill No. 4302.
- 2 (f) House Bill No. 4303.