

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. House Bill 1767

PRINTER'S NO. 3481

AMOUNT

Minimal Fiscal Impact

FUND

Pennsylvania Housing Finance Agency Funds

DATE INTRODUCED

June 30, 2011

PRIME SPONSOR

Representative Freeman

HISTORY OF BILL

Referred to URBAN AFFAIRS, June 30, 2011

Reported as amended, March 14, 2012

First consideration, March 14, 2012

Laid on the table, March 14, 2012

Removed from table, May 2, 2012

Second consideration, with amendments, May 7, 2012

(Remarks see House Journal Page), May 7, 2012

Re-committed to APPROPRIATIONS, May 7, 2012

Re-reported as committed, May 8, 2012

Third consideration and final passage, May 8, 2012 (190-7)

(Remarks see House Journal Page), May 8, 2012

In the Senate

Referred to URBAN AFFAIRS AND HOUSING, May 29, 2012

Reported as committed, June 13, 2012

First consideration, June 13, 2012

Re-referred to APPROPRIATIONS, June 29, 2012

Re-reported as committed, Oct. 2, 2012

DESCRIPTION AND PURPOSE OF BILL

House Bill 1767 amends the Manufactured Home Community Rights Act to incorporate a portion of the Landlord Tenant Act regarding the regulation of abandoned mobile homes and to add provisions relating to the sale of a manufactured home community.

The bill provides that an "eviction" is defined as it is in the Landlord Tenant Act or a similar order of a court of common pleas. It clarifies the definitions of lessee, lessor, manufactured home community owner or community owner, and manufactured home resident or resident. It adds definitions for manufactured home community operator or operator, manufactured home tenant or tenant, and resident association.

SENATE APPROPRIATIONS COMMITTEE

FISCAL NOTE

The bill specifies the judicial process or circumstance by which a lessee or resident shall be deemed to have abandoned a home and all personal property. It specifies the conditions which evidence the lessee's absence from the home in addition to the nonpayment of rent for at least 30 days. Jurisdiction to determine abandonment is granted to a magisterial district court. Once a determination of abandonment has been made, the bill specifies what the community owner or other authorized person may proceed to do.

Prior to moving the home or any personal property, notice shall be posted on the property and sent by mail to any other known address to inform the lessee or resident that the home and any personal property will be moved in 60 days and the location of the storage area. The home shall be subject to the lien for taxes assessed against it, but the real estate on which the home was and is located shall not be encumbered by the lien.

The bill specifies the order by which the proceeds from the sale of the personal property shall be distributed. It states that all remaining proceeds shall be paid to the resident, or if he cannot be located, to the Commonwealth as unclaimed property. Following the proper disposal of personal property or the home, neither the purchaser nor the home community owner shall be liable for any outstanding taxes or liens on the home.

Prior to disposing of the home or personal property, written notice must be given to the resident and any lien holder. Required provisions for the notice are specified.

When a home is disposed of by the community owner, the Department of Transportation shall receive notice. The Department is required to issue a certificate of title to the purchaser.

Once the home is moved, the community owner may lease the prior location. The municipality or taxing district may not prevent the occupancy of that space by another home.

In the event of the sale or lease of a community, the community owner shall provide written notice within 30 days after any agreement of sale is signed to the residents, tenants, and the Pennsylvania Housing Finance Authority (PHFA). The new owner shall notify the residents and tenants of the name and contact information for the new owner within 30 days of transfer of the title.

The community owner must provide written notice in the event of closure of the community to the residents, tenants, the resident association (if one exists), and PHFA. The bill specifies certain information to be included in the notice. Written notice must also be sent to any known prospective tenant. The community owner is required to consider certain purchase options. The community owner must pay certain relocation expenses of the owner or resident of the manufactured home. This payment must equal the cost of relocation, not to exceed \$4,000 for a single section manufactured home and \$6,000 for a multisection manufactured home. A tenant of a closing community may terminate his lease. In a closing community, the resident is not required to remove his home and the community owner may dispose of that property through disposal procedures specified in this act.

SENATE APPROPRIATIONS COMMITTEE

FISCAL NOTE

PHFA is required to compile a list to provide notice to parties interested in receiving such notices of the sale or closure of communities. PHFA must disseminate such information to those interested parties by regular or electronic mail.

A violation of this act is considered a violation of the Unfair Trade Practices and Consumer Protection Law and shall be subject to the enforcement provisions and private rights of action contained in that act. Residents in communities in the process of being sold or closed shall have the right to injunctive relief to enforce compliance with the prescribed procedures of this act.

The bill repeals the definition of "abandoned mobile home" contained in certain sections of the Landlord Tenant Act.

The act takes effect in 60 days.

FISCAL IMPACT:

According to the PHFA, the requirements imposed by the act in Section 11.3, relating to their compilation of a list of interested parties and the disbursement of copies of lists of communities for sale or closing to those interested parties, shall require minimal expenditures by the Agency and can be absorbed with currently available funds.