THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

1767 Session of 2011 No.

INTRODUCED BY FREEMAN, SAMUELSON, HAHN, THOMAS, BRENNAN, CALTAGIRONE, DALEY, DeLUCA, DONATUCCI, GINGRICH, HENNESSEY, HORNAMAN, JOSEPHS, KOTIK, KULA, MIRABITO, MUNDY, MURT, O'NEILL, PASHINSKI, SWANGER, VULAKOVICH AND YOUNGBLOOD, JUNE 30, 2011

REFERRED TO COMMITTEE ON URBAN AFFAIRS, JUNE 30, 2011

AN ACT

- Amending the act of November 24, 1976 (P.L.1176, No.261), entitled, as amended, "An act providing for the rights and 2 duties of manufactured home owners or operators and 3 manufactured home lessees," adding definitions; providing for abandoned manufactured homes, for sale of manufactured home 5 communities and for remedies; and repealing certain provisions of The Landlord and Tenant Act of 1951. 8 The General Assembly of the Commonwealth of Pennsylvania 9 hereby enacts as follows: Section 1. Section 2 introductory paragraph of the act of
- 10
- November 24, 1976 (P.L.1176, No.261), known as the Manufactured 11
- Home Community Rights Act, amended October 19, 2010 (P.L.546, 12
- 13 No.80), is amended and the section is amended by adding
- 14 definitions to read:
- 15 Section 2. Definitions. -- [As used in this act] The following
- 16 words and phrases when used in this act shall have the meanings
- given to them in this section unless the context clearly 17
- 18 indicates otherwise:
- 19

- 1 <u>"Receipted first-class mail."</u> First-class mail for which a
- 2 certificate of mailing has been obtained. The term does not
- 3 include certified or registered mail.
- 4 * * *
- 5 "Resident association." An organization open to all
- 6 residents of a manufactured housing community, whether the
- 7 organization is structured as a cooperative, a corporation or
- 8 otherwise.
- 9 * * *
- "Tenant." A person who leases a manufactured home.
- 11 Section 2. The act is amended by adding sections to read:
- 12 <u>Section 10.1. Abandoned Manufactured Homes.--(a) If a</u>
- 13 <u>resident or a tenant relinquishes possession of a manufactured</u>
- 14 home for a period of at least 30 days, the manufactured home
- 15 <u>community owner or other authorized person may:</u>
- 16 (1) Enter the manufactured home and secure any appliances,
- 17 furnishings, materials, supplies or other personal property in
- 18 the manufactured home, disconnect the manufactured home from any
- 19 utilities and otherwise exercise ordinary care in relation to
- 20 the manufactured home and personal property, including promptly
- 21 disposing of perishable food and contacting an animal control
- 22 agency or humane society to remove any abandoned pets.
- 23 (2) (i) Move the manufactured home and any personal
- 24 property inside the manufactured home or within the manufactured
- 25 <u>home community that belong to the resident to a storage area</u>
- 26 within the manufactured home park or to another location deemed
- 27 <u>necessary and proper without the requirement of obtaining a</u>
- 28 removal permit for the manufactured home from the local taxing
- 29 authority which would otherwise be required under 53 Pa.C.S. §
- 30 8821(d) (relating to assessment of mobile homes and house

- 1 trailers).
- 2 (ii) The manufactured home shall continue to be subject to
- 3 the lien for taxes assessed against it, but the real estate on
- 4 which the manufactured home was and is located shall not be
- 5 <u>encumbered by the lien. The former manufactured home residents</u>
- 6 or tenants shall be notified by mail and by posting on the
- 7 manufactured home and at any other known address, or by any
- 8 other means by which notice may be achieved, that the
- 9 <u>manufactured home and personal property</u>, if applicable, has been
- 10 moved and of the new location of the manufactured home and
- 11 personal property.
- 12 (3) Assess removal charges and storage charges against the
- 13 <u>former manufactured home residents or tenants.</u>
- 14 (4) Dispose of the personal property or manufactured home,
- 15 or both, in accordance with the procedures set forth in
- 16 <u>subsection</u> (c). If the personal property or manufactured home is
- 17 sold, the proceeds from the sale shall be distributed in the
- 18 <u>following order:</u>
- 19 (i) to pay the costs of moving, storing and selling the
- 20 personal property or manufactured home;
- 21 (ii) to pay all back rent due to the owner;
- 22 (iii) to pay all outstanding taxes on the manufactured home;
- 23 and
- 24 (iv) to pay all outstanding liens on the manufactured home.
- 25 Any amount still remaining from the sale after payment of the
- 26 items in subparagraphs (i), (ii), (iii) and (iv) shall be paid
- 27 to the resident or tenant. If the resident's or tenant's
- 28 whereabouts are unknown, any amount due and payable to the
- 29 resident or tenant shall be paid to the Commonwealth as required
- 30 by Article XIII.1 of the act of April 9, 1929 (P.L.343, No.176),

- 1 known as "The Fiscal Code."
- 2 (b) The manufactured home community owner or other
- 3 authorized person acting in good faith to comply with the
- 4 requirements of this section are not responsible for any loss or
- 5 <u>damage to a home, personal property inside the manufactured home</u>
- 6 or within the community, or for any fees, assessments or other
- 7 charges of any kind relating to the abandoned manufactured home
- 8 <u>unless it is proven that the resident or tenant had not</u>
- 9 relinquished possession of the real property, in which case, the
- 10 owner shall be liable for the loss incurred by the resident or
- 11 tenant.
- 12 (c) (1) The manufactured home community owner or other
- 13 authorized person may dispose of the manufactured home and
- 14 personal property after first giving written notice to the
- 15 <u>resident and any lienholder. The notice shall be sent by</u>
- 16 <u>certified mail, return-receipt requested, or by receipted first-</u>
- 17 class mail, to the resident's or tenant's last known address,
- 18 which may be the address of the premises, and at any alternate
- 19 <u>address or addresses known to the owner or other authorized</u>
- 20 person, including the address of emergency contacts if provided.
- 21 The notice shall also be posted in a conspicuous location in the
- 22 manufactured home community.
- 23 (2) The notice of removal required by subsection (a) (2) and
- 24 the notice of disposal required by this subsection may be
- 25 combined in one notice.
- 26 (d) The notice required under this section shall state the
- 27 following:
- 28 (1) The manufactured home is considered abandoned and to
- 29 avoid the sale or other disposal of the manufactured home, the
- 30 manufactured home must be claimed and removed from the premises

- 1 in the manufactured home community or from the storage area or
- 2 <u>from the place of storage within a period of time not less than</u>
- 3 <u>30 days after the date of mailing of the notice.</u>
- 4 (2) If the manufactured home is not claimed and removed
- 5 within the time set forth in the notice:
- 6 (i) the owner or other authorized person may sell the
- 7 manufactured home at public or private sale; or
- 8 (ii) if it is reasonably determined by the owner or other
- 9 <u>authorized person that the value of the property is so low that</u>
- 10 the cost of storage and conducting a sale would probably exceed
- 11 the amount that would be realized from the sale of the
- 12 manufactured home, the manufactured home may be destroyed or
- 13 discarded.
- 14 (3) (i) Within the time provided in the notice, the
- 15 resident may claim the manufactured home by notifying the
- 16 manufactured home community owner or other authorized person in
- 17 writing that the manufactured home will be claimed and removed
- 18 within the time provided in the notice or such later time as is
- 19 mutually agreed to by the owner or other authorized person and
- 20 the resident.
- 21 (ii) If the resident fails to claim and remove the
- 22 manufactured home within the time specified in the notice or
- 23 such later time, the manufactured home shall be conclusively
- 24 deemed abandoned and the owner or other authorized person shall
- 25 proceed to sell or otherwise dispose of the manufactured home.
- 26 (e) When a manufactured home community owner or other
- 27 authorized person desires to dispose of the manufactured home, a
- 28 copy of the notice shall also be sent to the Department of
- 29 Transportation, addressed to the Bureau of Motor Vehicles,
- 30 Vehicle Registration Division, or such other office or bureau as

- 1 <u>is designated by the department.</u>
- 2 (f) (1) When a manufactured home is sold under this
- 3 section, the Department of Transportation shall, upon proof of
- 4 sale and purchase and regardless of anything to the contrary in
- 5 75 Pa.C.S. (relating to vehicles), issue a certificate of title
- 6 to the purchaser evidencing no encumbrances.
- 7 (2) If the manufactured home is not sold, but is destroyed
- 8 or discarded because the value of the manufactured home was
- 9 <u>determined to be so low that the storage and sale would exceed</u>
- 10 the amount to be realized in the sale, the department shall,
- 11 upon receiving notarized documentation that the manufactured
- 12 home was destroyed or discarded, make an appropriate notation on
- 13 <u>its recordkeeping system that the manufactured home has been</u>
- 14 destroyed or discarded and that no certificate of title should
- 15 again be issued for the manufactured home.
- 16 (3) The Department of Transportation may create and use a
- 17 special form for this process, but may not impose any other
- 18 requirements for compliance with this provision to be fulfilled.
- 19 (q) (1) When a manufactured home is moved to a storage area
- 20 or another location or is disposed of as provided for by this
- 21 section, and the space on which that manufactured home
- 22 previously was located is vacant, the manufactured home
- 23 community owner or other authorized person may lease that space
- 24 to a new resident or otherwise locate another manufactured home
- 25 on that space.
- 26 (2) The municipality in which the manufactured home
- 27 community is located shall not prevent the occupancy of that
- 28 space by another manufactured home nor shall it attach any
- 29 conditions to the occupancy that are not applicable to a new
- 30 resident locating in a space made vacant other than by

- 1 <u>abandonment</u>.
- 2 (h) (1) If a manufactured home is moved to a storage area
- 3 or another location or is disposed of as provided for in this
- 4 <u>section</u>, the manufactured home community or the purchaser of the
- 5 manufactured home shall not be liable for any taxes, fees,
- 6 <u>assessments or other charges imposed by the municipality on the</u>
- 7 manufactured home.
- 8 (2) Liability for any taxes assessed and imposed on the
- 9 <u>resident or liability to satisfy any lien for such taxes shall</u>
- 10 continue to be the responsibility of the resident, and shall not
- 11 be assessed and imposed on the manufactured home community, all
- 12 of which is as provided for in the act of May 22, 1933 (P.L.853,
- 13 No.155, known as "The General County Assessment Law," or in 53
- 14 Pa.C.S. Ch. 88 (relating to consolidated county assessment).
- 15 <u>Section 11.1. Sale of Manufactured Home Communities.--(a)</u>
- 16 Manufactured home community owners shall:
- 17 (1) Provide written notice to all the residents of the
- 18 community, to the resident association if one exists, to the
- 19 Pennsylvania Housing Finance Agency and to the municipality
- 20 where the manufactured housing community is located no less than
- 21 60 days prior to entering into any agreement for sale or lease
- 22 of the community, however, the community owner may provide the
- 23 required notice after entering into an agreement for sale or
- 24 lease of the community if the agreement is conditioned on
- 25 affording the residents the purchase opportunity required by
- 26 this section and the notice is given no less than 60 days before
- 27 the agreement becomes final and unconditional. The requirements
- 28 stated in this subsection shall apply separately to each
- 29 <u>substantially different agreement for sale or lease of the</u>
- 30 community. Manufactured home community owners shall not be

- 1 required to give the notice required by this subsection when:
- 2 (i) The sale or transfer is to a family member of the owner
- 3 or to a trust, the beneficiaries of which are family members of
- 4 the owner.
- 5 (ii) The sale or transfer is by a partnership to one or more
- 6 of its partners.
- 7 (iii) The conveyance of an interest in the community is
- 8 <u>incidental to the financing of the community.</u>
- 9 (iv) The sale or transfer is between joint tenants or
- 10 tenants in common.
- 11 (v) The sale is pursuant to eminent domain.
- 12 (2) Provide written notice to the residents of the
- 13 community, to the resident association if one exists, to the
- 14 Pennsylvania Housing Finance Agency and to the municipality
- 15 where the manufactured home community is located within 60 days
- 16 of a decision to close the community. The notice shall include
- 17 the estimated date residents and tenants will be expected to
- 18 vacate the community, which shall be no less than 180 days from
- 19 the date of the notice, and the estimated date the community
- 20 will be closed.
- 21 (3) Notify any prospective resident in writing, prior to
- 22 <u>leasing a manufactured home space, and any prospective tenant,</u>
- 23 prior to leasing a manufactured home in a manufactured home
- 24 community, if the manufactured home community is intended to be
- 25 <u>closed or otherwise terminated or is the subject of sale.</u>
- 26 (b) The notice sent to the Pennsylvania Housing Finance
- 27 Agency under subsection (a) (1) or (2) shall be by certified mail
- 28 and shall be addressed to the agency's legal department.
- (c) Within 60 days of the effective date of this section,
- 30 the Pennsylvania Housing Finance Agency shall publish a notice

- 1 in both the Pennsylvania Bulletin and on its website that it is
- 2 compiling a list of parties interested in receiving copies of
- 3 any notice received by it under subsection (a)(1) or (2) and
- 4 <u>inviting such parties to provide their contact information to</u>
- 5 receive notices of community sales or closures. Interested
- 6 parties may indicate their region of the State or that they
- 7 operate Statewide. The agency shall send copies of notices it
- 8 receives under this section to parties on the list that are
- 9 Statewide or within the region they identify. Notices shall be
- 10 sent by regular mail or by electronic mail within ten calendar
- 11 days of the legal department's receipt of a notice.
- 12 (d) (1) A notice given pursuant to subsection (a) (3) shall
- 13 <u>be given personally to the prospective resident or prospective</u>
- 14 tenant.
- 15 (2) A notice given pursuant to subsection (a) (1) or (2)
- 16 shall be:
- 17 (i) sent to each resident by certified or registered mail;
- 18 (ii) delivered to an adult resident of each manufactured
- 19 home space within the manufactured home community;
- 20 <u>(iii) posted prominently on each manufactured home space;</u>
- 21 and
- 22 (iv) posted in the same conspicuous and readily accessible
- 23 place in the manufactured home community where the community
- 24 rules and regulations are posted, pursuant to section 4.
- 25 (e) A manufactured home community owner shall consider any
- 26 offer to purchase the community made by a resident association
- 27 representing at least 25% of the manufactured home spaces or by
- 28 a nonprofit corporation, including a community development
- 29 corporation, housing authority or redevelopment authority acting
- 30 at the request of the residents of at least 25% of the spaces

- 1 and shall negotiate in good faith with the entity submitting the
- 2 offer.
- 3 (f) A manufactured home community owner shall pay relocation
- 4 expenses to the owner of any manufactured home in a manufactured
- 5 home community that is closing in an amount equivalent to the
- 6 cost of relocation, not to exceed the amount of \$4,000 for a
- 7 <u>single manufactured home space and \$6,000 for multisection</u>
- 8 manufactured home spaces. The amounts stated in this subsection
- 9 shall be adjusted annually by the Department of Community and
- 10 Economic Development to reflect any increase in the Consumer
- 11 Price Index.
- 12 (q) A manufactured home community owner shall pay a minimum
- 13 of \$2,500 or the appraised value of any manufactured home to the
- 14 <u>resident of the manufactured home upon the closure of the</u>
- 15 community if the resident is unable or unwilling to find a
- 16 <u>suitable replacement site</u>. The appraised value must be provided
- 17 by a certified residential real estate appraiser with
- 18 substantial experience in appraising manufactured homes who is
- 19 <u>mutually agreed to by the owner and the resident. If the parties</u>
- 20 cannot agree on an appraiser, each shall select an appraiser,
- 21 and the two appraisers shall select the appraiser to perform the
- 22 appraisal. The owner and the resident shall each pay half of the
- 23 cost for the appraisal. Notwithstanding the provisions of this
- 24 subsection, the resident and the owner may mutually agree upon a
- 25 price for the sale of the manufactured home to the owner.
- 26 (h) In the event a manufactured home community is closed
- 27 <u>because of a condemnation, action in eminent domain or other</u>
- 28 governmental action, the manufactured home residents shall be
- 29 <u>entitled to any and all relocation benefits available under law.</u>
- 30 (i) A tenant who rents a manufactured home in a manufactured

- 1 <u>home community shall have the right to terminate the lease</u>
- 2 without penalty upon receiving notice of the planned closing of
- 3 the community.
- 4 (j) A manufactured home resident shall not be required to
- 5 remove the manufactured home from the land when a manufactured
- 6 home community closes, nor shall the resident be liable for the
- 7 costs of removing or disposing of the manufactured home. The
- 8 <u>manufactured home community owner may require a resident who is</u>
- 9 <u>leaving a manufactured home in the community to assign the title</u>
- 10 or other evidence of ownership to the owner. In the event the
- 11 resident refuses to make such assignment, the owner may proceed
- 12 <u>under section 10.1.</u>
- 13 <u>Section 16.1. Remedies.--(a) A violation of this act may be</u>
- 14 <u>enforced as provided by sections 13, 14, 15 and 16 and shall</u>
- 15 <u>also constitute an "unfair or deceptive act or practice" within</u>
- 16 the meaning of section 2(4) of the act of December 17, 1968
- 17 (P.L.1224, No.387), known as the "Unfair Trade Practices and
- 18 Consumer Protection Law, " and shall be a violation of and shall
- 19 be subject to the enforcement provisions and private rights of
- 20 action contained in that act.
- 21 (b) Residents shall have the right to seek injunctive relief
- 22 to enforce compliance with this section and section 11.1.
- 23 Section 3. Repeals are as follows:
- 24 (1) The General Assembly declares that the repeal under
- 25 paragraph (2) is necessary to effectuate this act.
- 26 (2) Section 505 of the act of April 6, 1951 (P.L.69,
- No.20), known as The Landlord and Tenant Act of 1951, is
- 28 repealed.
- 29 Section 4. This act shall take effect in 60 days.