

HOUSE BILL No. 4532

March 11, 1991, Introduced by Reps. Gire, Law, Wallace, Kosteva, Olshove, Scott, Middaugh, Gilmer, DeBeaussiaert, London and Martin and referred to the Committee on Housing and Urban Affairs.

A bill to amend section 4 of Act No. 96 of the Public Acts of 1987, entitled
"The mobile home commission act,"
being section 125.2304 of the Michigan Compiled Laws; and to add sections 26, 26a, 26b, and 26c.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 4 of Act No. 96 of the Public Acts of
2 1987, being section 125.2304 of the Michigan Compiled Laws, is
3 amended, and sections 26, 26a, 26b, and 26c are added to read as
4 follows:

5 Sec. 4. (1) The commission may do all of the following:

6 (a) Promulgate rules to implement and administer this act.

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

1 (c) Determine the sufficiency of local mobile home
2 ordinances ~~which~~ THAT are designed to provide local governments
3 with superintending control over mobile home businesses, mobile
4 home parks, or seasonal mobile homes parks.

5 (d) Conduct public hearings relating to the powers pre-
6 scribed in this subsection.

7 (2) The director of commerce or an authorized representative
8 of the director shall do all of the following:

9 (a) Administer the rules promulgated by the commission.

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

12 (c) Make investigations to determine compliance with this
13 act and rules promulgated under this act.

14 (D) PROVIDE FOR THE MEDIATION OR ARBITRATION OF DISPUTES
15 PURSUANT TO SECTIONS 26B AND 26C.

16 (E) ~~(d)~~ Provide assistance to the commission as the com-
17 mission requires.

18 (3) The commission shall not act for the purpose of regulat-
19 ing mobile homes that are not located within a mobile home park
20 or a seasonal mobile home park, except as relates to the busi-
21 ness, sales, and service practices of mobile home dealers and the
22 business practices of mobile home installers and repairers.

23 SEC. 26. AS USED IN THIS SECTION AND SECTIONS 26A TO 26C:

24 (A) "HOME OWNER" MEANS A PERSON WHO OWNS A MOBILE HOME AND
25 RENTS OR LEASES A LOT WITHIN A MOBILE HOME PARK FOR RESIDENTIAL
26 USE.

1 (B) "LOT RENTAL AMOUNT" MEANS ALL FINANCIAL OBLIGATIONS THAT
2 ARE REQUIRED AS A CONDITION OF TENANCY IN A MOBILE HOME PARK.

3 (C) "MEDIATION" MEANS A PROCESS IN WHICH A NEUTRAL, IMPAR-
4 TIAL PERSON MEETS WITH THE PARTIES TO A DISPUTE TO HELP THEM
5 REACH A MUTUALLY SATISFACTORY RESOLUTION OF THEIR DISPUTE.

6 (D) "PARK OWNER" MEANS A PERSON WHO OWNS OR OPERATES A
7 MOBILE HOME PARK.

8 (E) "PASS-THROUGH CHARGE" MEANS THE HOMEOWNER'S PROPORTION-
9 ATE SHARE OF THE NECESSARY AND ACTUAL COSTS OF A CAPITAL IMPROVE-
10 MENT TO A MOBILE HOME PARK REQUIRED BY LAW, RULE, OR ORDINANCE.

11 (F) "PROPOSED CHANGE" MEANS A CHANGE DESCRIBED IN SECTION
12 26A(1).

13 SEC. 26A. (1) A PARK OWNER SHALL GIVE WRITTEN NOTICE AS
14 PROVIDED IN THIS SECTION IF HE OR SHE PROPOSES TO MAKE 1 OR MORE
15 OF THE FOLLOWING CHANGES:

16 (A) AN INCREASE IN LOT RENTAL AMOUNT.

17 (B) A REDUCTION IN SERVICES OR UTILITIES PROVIDED BY THE
18 PARK OWNER.

19 (C) A CHANGE IN THE RULES AND REGULATIONS OF THE MOBILE HOME
20 PARK.

21 (2) A NOTICE PRESCRIBED IN SUBSECTION (1) SHALL BE GIVEN NOT
22 LESS THAN 90 DAYS BEFORE THE EFFECTIVE DATE OF THE PROPOSED
23 CHANGE. A RULE ADOPTED AS A RESULT OF RESTRICTIONS IMPOSED BY
24 GOVERNMENTAL ENTITIES TO PROTECT THE PUBLIC HEALTH, SAFETY, AND
25 WELFARE MAY BE ENFORCED BEFORE THE EXPIRATION OF THE 90-DAY
26 PERIOD, BUT SUCH A RULE IS NOT OTHERWISE EXEMPT FROM THE
27 REQUIREMENTS OF THIS SECTION AND SECTIONS 26B AND 26C.

1 (3) A NOTICE REQUIRED UNDER SUBSECTION (1) SHALL BE GIVEN TO
2 EACH MOBILE HOMEOWNER WHO WILL BE AFFECTED BY THE CHANGE, AND TO
3 THE BOARD OF DIRECTORS OF A HOMEOWNERS ASSOCIATION OF THE MOBILE
4 HOME PARK, IF SUCH AN ASSOCIATION HAS BEEN FORMED.

5 (4) A NOTICE REQUIRED UNDER SUBSECTION (1) SHALL CONTAIN ALL
6 OF THE FOLLOWING:

7 (A) A DESCRIPTION OF THE PROPOSED CHANGE.

8 (B) THE EFFECTIVE DATE OF THE PROPOSED CHANGE.

9 (C) IDENTIFICATION OF ALL OTHER HOMEOWNERS WHO WILL BE
10 AFFECTED BY THE CHANGE. THE IDENTIFICATION MAY BE BY LOT NUMBER
11 OR NAME, BUT IF THE HOMEOWNERS ARE NOT IDENTIFIED BY NAME, THE
12 PARK OWNER SHALL MAKE THE NAMES AND ADDRESSES AVAILABLE UPON
13 REQUEST.

14 (D) IF THE CHANGE PERTAINS TO PASS-THROUGH CHARGES, A SEPA-
15 RATE LISTING FOR EACH SUCH CHARGE.

16 (E) IF AN INCREASE IN THE LOT RENTAL AMOUNT REFLECTS A
17 PASS-THROUGH CHARGE, A STATEMENT OF THE ADDITIONAL PAYMENT AMOUNT
18 AND THE STARTING AND ENDING DATE OF EACH PASS-THROUGH CHARGE.

19 SEC. 26B. (1) WITHIN 30 DAYS AFTER THE NOTICE REQUIRED
20 UNDER SECTION 26A, THE PARK OWNER AND A COMMITTEE OF NO MORE THAN
21 5 HOMEOWNERS SHALL MEET AT A MUTUALLY CONVENIENT TIME TO DISCUSS
22 THE REASONS FOR THE PROPOSED CHANGE. THE MEMBERS OF THE COMMIT-
23 TEE SHALL BE CHOSEN BY THE BOARD OF DIRECTORS OF THE HOMEOWNERS
24 ASSOCIATION, IF ANY, OR IF THERE IS NO HOMEOWNERS ASSOCIATION, BY
25 MAJORITY VOTE OF THE HOMEOWNERS AFFECTED BY THE PROPOSED CHANGE.

26 (2) WITHIN 30 DAYS AFTER THE MEETING DESCRIBED IN SUBSECTION
27 (1), THE COMMITTEE OF HOMEOWNERS SHALL FILE WITH THE DEPARTMENT A

1 REQUEST FOR MEDIATION PURSUANT TO SECTION 26C IF THE MAJORITY OF
2 THE AFFECTED HOMEOWNERS HAS AGREED IN WRITING TO 1 OR MORE OF THE
3 FOLLOWING:

4 (A) THAT THE INCREASE IN THE LOT RENTAL AMOUNT IS
5 UNREASONABLE.

6 (B) THAT THE INCREASE HAS MADE THE LOT RENTAL AMOUNT
7 UNREASONABLE.

8 (C) THAT THE DECREASE IN SERVICES OR UTILITIES IS NOT ACCOM-
9 PANIED BY A CORRESPONDING DECREASE IN RENT OR IS OTHERWISE
10 UNREASONABLE.

11 (D) THAT THE CHANGE IN RULES AND REGULATIONS IS
12 UNREASONABLE.

13 (3) IF THE HOMEOWNERS DO NOT FILE A REQUEST FOR MEDIATION
14 PURSUANT TO SUBSECTION (2), THE PARK OWNER MAY FILE THE REQUEST.

15 (4) AS AN ALTERNATIVE TO MEDIATION, THE PARK OWNER AND THE
16 COMMITTEE OF HOMEOWNERS MAY AGREE IN WRITING TO SUBMIT THEIR DIS-
17 PUTE TO BINDING ARBITRATION. THE COMMITTEE SHALL AGREE TO BIND-
18 ING ARBITRATION ONLY IF THE MAJORITY OF THE AFFECTED HOMEOWNERS
19 AGREE IN WRITING TO BINDING ARBITRATION. THE PARTIES MAY PROVIDE
20 A METHOD FOR APPOINTING ARBITRATORS OR THEY MAY REQUEST THE
21 DEPARTMENT TO APPOINT 1 OR MORE ARBITRATORS.

22 (5) AN ACTION RELATING TO A DISPUTE REGARDING A PROPOSED
23 CHANGE SHALL NOT BE FILED IN ANY COURT UNLESS A REQUEST HAS BEEN
24 SUBMITTED TO THE DEPARTMENT FOR MEDIATION AND THE REQUEST HAS
25 BEEN PROCESSED IN ACCORDANCE WITH SECTION 26C OR UNLESS THE DIS-
26 PUTE HAS BEEN ARBITRATED AND THE COURT ACTION IS FOR ENFORCEMENT
27 OF THE ARBITRATION AWARD PURSUANT TO SECTION 5025 OF THE REVISED

1 JUDICATURE ACT OF 1961, ACT NO. 236 OF THE PUBLIC ACTS OF 1961,
2 BEING SECTION 600.5025 OF THE MICHIGAN COMPILED LAWS.

3 (6) IF A PARTY REFUSES TO AGREE TO MEDIATE OR ARBITRATE,
4 THAT PARTY SHALL NOT BE ENTITLED TO ATTORNEY'S FEES IN ANY ACTION
5 RELATING TO A DISPUTE REGARDING A PROPOSED CHANGE.

6 (7) A HOMEOWNERS ASSOCIATION HAS NO STANDING TO REPRESENT
7 THE HOMEOWNERS OF A MOBILE HOME PARK IN A CHALLENGE TO A PROPOSED
8 CHANGE UNLESS A MAJORITY OF THE HOMEOWNERS AGREES, IN WRITING, TO
9 SUCH REPRESENTATION.

10 SEC. 26C. (1) THE COMMISSION SHALL PROMULGATE RULES PURSU-
11 ANT TO THE ADMINISTRATIVE PROCEDURES ACT OF 1969, ACT NO. 306 OF
12 THE PUBLIC ACTS OF 1969, BEING SECTIONS 24.201 TO 24.328 OF THE
13 MICHIGAN COMPILED LAWS, TO GOVERN THE PROVISION OF MEDIATION OR
14 ARBITRATION SERVICES FOR SETTLEMENT OF A DISPUTE REGARDING A PRO-
15 POSED CHANGE DESCRIBED IN SECTION 26A(1). THE RULES MAY INCLUDE,
16 BUT NEED NOT BE LIMITED TO, PROVISIONS REGARDING PAYMENT BY THE
17 PARTIES FOR MEDIATION OR ARBITRATION SERVICES. THE DEPARTMENT
18 SHALL EMPLOY OR CONTRACT WITH QUALIFIED INDIVIDUALS TO PROVIDE
19 MEDIATION SERVICES IN ACCORDANCE WITH THE RULES AND TO SERVE AS
20 ARBITRATORS IN ACCORDANCE WITH CHAPTER 50 OF THE REVISED JUDICA-
21 TURE ACT OF 1961, ACT NO. 236 OF THE PUBLIC ACTS OF 1961, BEING
22 SECTIONS 600.5001 TO 600.5035 OF THE MICHIGAN COMPILED LAWS.

23 (2) THE MEDIATION OF A DISPUTE REGARDING A PROPOSED CHANGE
24 IS NOT BINDING UNLESS THE PARK OWNER AND THE COMMITTEE OF HOME-
25 OWNERS AGREE OTHERWISE IN WRITING. THE COMMITTEE OF HOMEOWNERS
26 SHALL AGREE TO BINDING MEDIATION ONLY IF THE MAJORITY OF AFFECTED
27 HOMEOWNERS AGREE IN WRITING TO BINDING MEDIATION. IF THE PARTIES

1 HAVE NOT AGREED TO BE BOUND BY THE RESULT OF THE MEDIATION, A
2 PARTY IS NOT FORECLOSED FROM BRINGING AN ACTION IN A COURT OF
3 COMPETENT JURISDICTION.