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MANUFACTURED HOMES

House Bills 5886 and 5887 Sponsor: Rep. William Byl Committee: Commerce

Complete to 6-18-96

A SUMMARY OF HOUSE BILLS 5886 AND 5887 AS INTRODUCED 5-15-96

The Mobile Home Commission Act provides for the licensing and regulation of mobile home parks and of mobile homes. <u>House Bill 5887</u> would amend the act (MCL 125.2301 et al.) to change all references to "mobile home" currently contained in the act to "manufactured home." The bill also would change the title of the act to the Manufactured Home Commission Act. Under the bill, the term "manufactured home" would have the same meaning as "mobile home" now does, except if a manufactured home was manufactured after June 15, 1976, in which case it would be defined as a structure built in accordance with the National Manufactured Housing Construction and Safety Standards Act.

Currently, the act prohibits someone who owns or operates a mobile home park from engaging in, or allowing an employee or agent to engage in, various unfair or deceptive practices. The bill would add to this list the following two practices:

- * Requiring a repossessing lender to pay a homeowner's debts that had been incurred before repossession of the manufactured home;
 - * Prohibiting a repossessing lender from selling a manufactured home on-site.

The act also currently allows mobile home park rules or regulations to include provisions governing the physical condition and aesthetic characteristics of mobile homes relative to the park in which they are located. One of these specifies that the age or size of a home cannot be used as the sole reason for refusing to allow an on-site, in-park sale or for refusing to allow a home to remain on-site. The bill would add to this provision that park rules or regulations could not establish a minimum value or minimum sale price for a manufactured home as a condition to an in-park sale of the home.

House Bill 5886 would amend the Revised Judicature Act (MCL 600.4704 et al.), which establishes a process for terminating tenancy in a mobile home park, to change all references to "mobile home" within the act to "manufactured home," where this term would be defined as specified in House Bill 5887.

This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.