

SENATE BILL No. 893

March 7, 2018, Introduced by Senator BRANDENBURG and referred to the Committee on Commerce.

A bill to amend 1987 PA 96, entitled
"The mobile home commission act,"
by amending sections 2, 4, 5, 7, 9, 16, 21, 36, 38, and 43 (MCL
125.2302, 125.2304, 125.2305, 125.2307, 125.2309, 125.2316,
125.2321, 125.2336, 125.2338, and 125.2343), sections 2, 4, 16, and
43 as amended by 2015 PA 40, sections 5, 9, and 21 as amended by
2006 PA 328, section 7 as amended by 2009 PA 215, and section 38 as
amended by 1988 PA 337.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 2. As used in this act:

(a) "Campground" means a campground as defined in section
12501 of the public health code, 1978 PA 368, MCL 333.12501.

(B) "CHANGE OF OWNERSHIP" MEANS A TRANSFER OF EITHER OF THE
FOLLOWING BY A PERSON THAT IS NOT A PUBLICLY TRADED ENTITY:

1 (i) THE CONTROLLING INTEREST IN AN OWNER OF A MOBILE HOME PARK
2 OR SEASONAL MOBILE HOME PARK.

3 (ii) FEE OWNERSHIP IN THE PARCEL UPON WHICH A MOBILE HOME PARK
4 OR SEASONAL MOBILE HOME PARK IS LOCATED.

5 (C) ~~(b)~~ "Code" means all or a part of the mobile home code
6 promulgated under section 5.

7 (D) ~~(e)~~ "Commission" means the manufactured housing
8 commission.

9 (E) "CONTROLLING INTEREST" MEANS 51% OR MORE OF THE VOTING
10 RIGHTS.

11 (F) ~~(d)~~ "Department" means the department of licensing and
12 regulatory affairs, except as follows:

13 (i) Department means the department of state in all of the
14 following circumstances:

15 (A) As used in section 5(1) with respect to rules promulgated
16 under section 5(1) (h) .

17 (B) As used in section 9(5) with respect to rules adjusting
18 fees under section 30a or 30c.

19 (C) As used in sections 30 to 30i.

20 (ii) Department ~~as~~ **MEANS THE DEPARTMENT OF ENVIRONMENTAL**
21 **QUALITY WHEN THE TERM IS** used with respect to powers and duties
22 concerning water supply systems and sewage collection and disposal
23 systems for mobile home parks and seasonal mobile home parks. ~~as~~
24 ~~means the department of environmental quality.~~

25 (G) "DIRECTOR" MEANS THE DIRECTOR OF A DEPARTMENT.

26 (H) "ENFORCING AGENCY" MEANS THE GOVERNMENTAL AGENCY THAT, IN
27 ACCORDANCE WITH SECTION 8A OR 8B OF THE STILLE-DEROSSETT-HALE

1 SINGLE STATE CONSTRUCTION CODE ACT, 1972 PA 230, MCL 125.1508A AND
2 125.1508B, IS RESPONSIBLE FOR THE ADMINISTRATION AND ENFORCEMENT
3 WITHIN A GOVERNMENTAL SUBDIVISION OF THE STILLE-DEROSSETT-HALE
4 SINGLE STATE CONSTRUCTION CODE ACT, 1972 PA 230, MCL 125.1501 TO
5 125.1531, AND THE STATE CONSTRUCTION CODE PROMULGATED UNDER THAT
6 ACT. FOR THE PURPOSES OF SECTION 19 OF THE STILLE-DEROSSETT-HALE
7 SINGLE STATE CONSTRUCTION CODE ACT, 1972 PA 230, MCL 125.1519,
8 ENFORCING AGENCY MEANS THE AGENCY IN A GOVERNMENTAL UNIT
9 PRINCIPALLY RESPONSIBLE FOR THE ADMINISTRATION AND ENFORCEMENT OF
10 APPLICABLE CONSTRUCTION REGULATIONS.

11 (I) ~~(e)~~ "Guideline" means that term as defined in section 3 of
12 the administrative procedures act of 1969, 1969 PA 306, MCL 24.203.

13 (J) ~~(f)~~ "Installer and repairer" means a person, including a
14 mobile home dealer, ~~who for compensation~~ **THAT** installs or repairs
15 mobile homes **FOR COMPENSATION**.

16 (K) ~~(g)~~ "Local government" means a county or municipality.

17 (L) **"MANUFACTURED HOUSING DEPUTY DIRECTOR" MEANS AN INDIVIDUAL**
18 **WHO IS DESIGNATED BY THE DIRECTOR TO EXERCISE THE POWERS AND DUTIES**
19 **OF SECTION 4(2).**

20 (M) ~~(h)~~ "Mobile home" means a structure that is transportable
21 in 1 or more sections, built on a chassis, and designed to be used
22 as a dwelling, with or without a permanent foundation, when
23 connected to the required utilities, and includes the plumbing,
24 heating, air-conditioning, and electrical systems contained in the
25 structure.

26 (N) ~~(i)~~ "Mobile home dealer" means a person other than a
27 manufacturer engaged in the business of buying mobile homes for

1 resale, exchange, lease, or rent or offering mobile homes for sale,
2 lease, rent, or exchange to customers.

3 (O) ~~(j)~~—"Mobile home park" means a parcel or tract of land
4 under the control of a person upon which 3 or more mobile homes are
5 located on a continual, nonrecreational basis and which is offered
6 to the public for that purpose regardless of whether a charge is
7 made, ~~therefor~~, together with any building, structure, enclosure,
8 street, equipment, or facility used or intended for use incident to
9 the occupancy of a mobile home.

10 (P) ~~(k)~~—"Municipality" means a city, village, or township.

11 (Q) "OPERATOR" MEANS A PRINCIPAL OR OFFICER OF AN OWNER WHO
12 HAS BEEN DESIGNATED BY THE OWNER AS A PERSON RESPONSIBLE TO THE
13 DEPARTMENT, TOGETHER WITH THE OWNER, FOR THE OPERATION OF A MOBILE
14 HOME PARK OR SEASONAL MOBILE HOME PARK.

15 (R) "OWNER" MEANS A PERSON THAT HAS FEE OWNERSHIP OF THE
16 PARCEL OR TRACT OF LAND UPON WHICH A MOBILE HOME PARK OR SEASONAL
17 MOBILE HOME PARK IS LOCATED.

18 (S) ~~(l)~~—"Person" means an individual, partnership,
19 association, trust, or corporation, or any other legal entity or
20 combination of legal entities.

21 (T) "PRINCIPAL" MEANS AN INDIVIDUAL WHO DIRECTLY OR INDIRECTLY
22 OWNS OR CONTROLS 20% OR MORE OF AN OWNER'S VOTING RIGHTS.

23 (U) ~~(m)~~—"Recreational vehicle" means a vehicle primarily
24 designed and used as temporary living quarters for recreational,
25 camping, or travel purposes, including a vehicle having its own
26 motor power or a vehicle mounted on or drawn by another vehicle.

27 (V) ~~(n)~~—"Seasonal mobile home park" means a parcel or tract of

1 land under the control of a person upon which 3 or more mobile
2 homes are located on a continual or temporary basis but occupied on
3 a temporary basis only, and which is offered to the public for that
4 purpose regardless of whether a charge is made, ~~therefor,~~ together
5 with any building, enclosure, street, equipment, or facility used
6 or intended for use incident to the occupancy of a mobile home.

7 Seasonal mobile home park does not include a campground licensed
8 pursuant to sections 12501 to 12516 of the public health code, 1978
9 PA 368, MCL 333.12501 to 333.12516.

10 (W) ~~(e)~~ "Secured party" means that term as defined in section
11 9102 of the uniform commercial code, 1962 PA 174, MCL 440.9102.

12 (X) ~~(p)~~ "Security interest" means that term as defined in
13 section 1201 of the uniform commercial code, 1962 PA 174, MCL
14 440.1201.

15 (Y) ~~(q)~~ "Termination statement" means that term as defined in
16 section 9102 of the uniform commercial code, 1962 PA 174, MCL
17 440.9102.

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

19 (a) After consultation with and considering comments from
20 representatives of the manufactured housing industry and other
21 interested parties, recommend rules to the department to implement
22 and administer this act.

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

26 (c) ~~Determine the sufficiency of local mobile home ordinances~~
27 ~~that are designed to provide local governments with superintending~~

~~control over mobile home businesses, mobile home parks, or seasonal mobile homes parks.~~ **APPROVE OR DISAPPROVE LOCAL STANDARDS UNDER SECTION 7(1) .**

(d) Conduct public hearings relating to the powers prescribed in this subsection. **THE COMMISSION MAY NOT RESOLVE DISPUTES DESCRIBED IN 24 CFR PART 3288. ONLY THE DIRECTOR OR THE AUTHORIZED REPRESENTATIVES OF THE DIRECTOR MAY RESOLVE DISPUTES DESCRIBED IN 24 CFR PART 3288.**

~~(2) The director or an authorized representative of the director~~ **THE MANUFACTURED HOUSING DEPUTY DIRECTOR** shall do all of the following:

(A) EMPLOY SUFFICIENT PERSONNEL TO CARRY OUT THE OBLIGATIONS NECESSARY FOR THE DEPARTMENT TO QUALIFY AS THE STATE ADMINISTRATIVE AGENCY FOR THIS STATE UNDER 24 CFR PART 3282. THE PERSONNEL HIRED SHALL INCLUDE NOT LESS THAN 3 FULL-TIME INSPECTORS AND 1 FULL-TIME AUDITOR, ALONG WITH SUCH ADDITIONAL STAFF AS REQUIRED TO IMPLEMENT AND ENFORCE THIS ACT AND THE RULES PROMULGATED UNDER THIS ACT.

(B) ~~(a)~~ After consultation with and considering comments from representatives of the manufactured housing industry and other interested parties, promulgate rules to implement and administer this act.

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

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

(E) ~~(d)~~ Provide assistance to the commission as the commission requires.

1 (F) ~~(e)~~—On not less than a quarterly basis, report to the
2 commission on the expenditure of all fees collected under this act
3 and the relation of those expenditures to the enforcement and
4 administration of this act.

5 (G) ~~(f)~~—Post and maintain on the department's website all
6 current guidelines.

7 (H) ~~(g)~~—Promptly notify a local government of the issuance,
8 amendment, or rescission of a guideline if the department has
9 knowledge that a mobile home park or seasonal mobile home park is
10 located in, or an application has been filed for the licensure of a
11 park proposed to be located in, the local government. The notice
12 shall be sent by first-class mail or electronic mail to each of the
13 following:

14 (i) The clerk of the local government.

15 (ii) The chief executive officer of the local government.

16 (iii) The enforcing agency for the local government, if **ANY.** ~~7~~
17 ~~under section 8a or 8b of the Stille DeRossett Hale single state~~
18 ~~construction code act, 1972 PA 230, MCL 125.1508a and 125.1508b,~~
19 ~~the local government has assumed responsibility for the~~
20 ~~administration and enforcement within its jurisdiction of that act~~
21 ~~and the state construction code or a part of the state construction~~
22 ~~code of limited application.~~

23 (I) ~~(h)~~—If the department receives a complaint about a
24 condition at a mobile home park or seasonal mobile home park that
25 imminently threatens the health or safety of the residents of the
26 park, promptly notify each local government in which the park is
27 located of the details of the complaint.

1 (J) PREPARE AND SUBMIT APPLICATIONS IN ACCORDANCE WITH, AND
2 SATISFY ALL REQUIREMENTS UNDER, 24 CFR PARTS 3280, 3282, AND 3288.

3 (K) IMPLEMENT AND ENFORCE THIS ACT AND RULES PROMULGATED UNDER
4 THIS ACT.

5 (3) THE INDIVIDUAL SERVING AS MANUFACTURED HOUSING DEPUTY
6 DIRECTOR SHALL NOT HAVE DUTIES AS A STATE OFFICER OTHER THAN THOSE
7 PROVIDED IN SUBSECTION (2).

8 (4) ~~(3)~~—The commission shall not regulate mobile homes that
9 are not located within a mobile home park or a seasonal mobile home
10 park, except as relates to the business, sales, and service
11 practices of mobile home dealers and the business practices of
12 mobile home installers and repairers.

13 Sec. 5. (1) After consultation with and considering comments
14 from representatives of the manufactured housing industry and other
15 interested parties, the department shall promulgate ~~the~~ **A** mobile
16 home code subject to section ~~4.~~ **4(2)**. The code shall consist of
17 rules governing all of the following:

18 (a) The licensure, **AUDIT**, density, layout, permits for
19 construction, **AND** construction of mobile home parks ~~including~~ **IN**
20 **ADDITION TO** standards for roads, **SPEED LIMITS, TRAFFIC SIGNS,**
21 **INSPECTIONS**, utilities, open space ~~—~~ or proposed recreational
22 facilities, **SITE DRAINAGE, WATER AND SEWER COLLECTION AND TREATMENT**
23 **FACILITIES, RUBBISH, INSECT AND RODENT CONTROL**, and **OTHER** safety
24 measures sufficient to protect health, safety, and welfare of
25 mobile home park residents. ~~—except~~ **HOWEVER, THE CODE SHALL NOT**
26 **GOVERN** water supply, sewage collection and treatment, and drainage
27 facilities ~~which~~ **THAT** are regulated by the department of

1 environmental quality.

2 (b) The business, sales, and service practices of mobile home
3 dealers.

4 (c) The business practices of mobile home installers and
5 repairers.

6 (d) The licensure and ~~regulations~~**REGULATION** of mobile home
7 installers and repairers.

8 (e) The setup and installation of mobile homes inside mobile
9 home parks or seasonal mobile home parks.

10 (f) The regulation of the responsibilities, under ~~the~~**A** mobile
11 home warranty, of the mobile home components manufacturer, the
12 mobile home assembler or manufacturer, and the mobile home dealer,
13 including the time period and relationships of each under the
14 warranty, and the remedies available, if any, if the responsible
15 parties cease to operate as a business.

16 (g) Abuses relating to all of the following:

17 (i) Consumer deposits, except utility deposits from consumers
18 who are direct customers of utilities regulated by the Michigan
19 public service commission.

20 (ii) Detailed listing of furnishings and fixtures by a
21 manufacturer of a new mobile home or a mobile home dealer for a
22 used mobile home.

23 (iii) Disclosure and delivery of manufacturer's warranties.

24 (iv) Used mobile homes. A mobile home dealer shall provide
25 detailed listing of its service records for used mobile homes which
26 are being sold by the dealer and of which the dealer has knowledge.

27 (h) Applications for and issuance of certificates of title for

1 mobile homes.

2 (2) As part of the code, the department shall also promulgate
3 rules governing ~~the licensure, density, layout, permits for~~
4 ~~construction, and construction of~~ seasonal mobile home parks ~~;~~
5 ~~including standards for roads, utilities, open space, proposed~~
6 ~~recreational facilities, and safety measures sufficient to protect~~
7 ~~the health, safety, and welfare of seasonal mobile home park~~
8 ~~residents, except~~ **THAT ARE THE SAME OR SIMILAR TO THOSE PROVIDED IN**
9 **SUBSECTION (1). HOWEVER, THE CODE SHALL NOT GOVERN** water supply,
10 sewage collection and treatment, and drainage facilities ~~, which~~
11 ~~shall be~~ **THAT ARE** regulated by the department of environmental
12 quality.

13 (3) The rules promulgated for seasonal mobile home parks may
14 impose a less stringent standard than the rules promulgated for
15 mobile home parks.

16 (4) **ALL ADMINISTRATIVE RULES PROMULGATED BY THE DEPARTMENT OR**
17 **THE COMMISSION UNDER THIS ACT AND IN EFFECT ON THE EFFECTIVE DATE**
18 **OF THE AMENDATORY ACT THAT ADDED THIS SUBSECTION SHALL BE**
19 **CONSIDERED AUTHORIZED, VALID, AND ENFORCEABLE AND REMAIN IN EFFECT**
20 **UNTIL AMENDED OR RESCINDED BY THE DEPARTMENT.**

21 Sec. 7. (1) Except as provided in subsection ~~(7),~~ **(9)**, a local
22 government that proposes a standard related to mobile home parks or
23 seasonal mobile home parks, or related to mobile homes located
24 within a mobile home park or a seasonal mobile home park, that is
25 higher than the standard provided in this act or the code, or that
26 proposes a standard related to the business, sales, and service
27 practices of mobile home dealers, or the business of mobile home

1 installers and repairers, that is higher than the standard provided
2 in this act or the code, shall file the proposed standard with the
3 commission. Except as provided in subsection ~~(7)~~, **(9)**, the
4 commission may promulgate rules to establish the criteria and
5 procedure for implementation of higher standards by a local
6 government. The commission shall review and approve the proposed
7 standard unless the standard is unreasonable, arbitrary, or not in
8 the public interest. If the commission does not approve or
9 disapprove the proposed standard within 60 days after it is filed
10 with the commission, the standard shall be considered approved
11 unless the local government grants the commission additional time
12 to consider the standard. After the proposed standard is approved,
13 the local government may adopt the standard by ordinance. The
14 ordinance shall relate to a specific section of the code.

15 (2) A local government standard related to mobile homes not
16 located within a mobile home park or seasonal mobile home park need
17 not be filed with the mobile home commission, unless the standard
18 relates to the business, sales, and service practices of mobile
19 home dealers, or the business of mobile home installers and
20 repairers.

21 (3) A local government ordinance shall not be designed as
22 exclusionary to mobile homes generally whether the mobile homes are
23 located inside or outside of mobile home parks or seasonal mobile
24 home parks.

25 (4) A local government ordinance shall not contain a standard
26 for the setup or installation of mobile homes that is incompatible
27 with, or is more stringent than, either of the following:

1 (a) The manufacturer's recommended setup and installation
2 specifications.

3 (b) The mobile home setup and installation standards
4 promulgated by the federal department of housing and urban
5 development pursuant to the national manufactured housing
6 construction and safety standards act of 1974, 42 USC 5401 to 5426.

7 (5) In the absence of any setup or installation specifications
8 or standards for foundations as set forth in subsection (4)(a) or
9 (b), the local government standards for site-built housing shall
10 apply.

11 (6) A local government ordinance shall not contain roof
12 configuration standards or special use zoning requirements that
13 apply only to, or excludes, mobile homes. A local government
14 ordinance shall not contain a manufacturing or construction
15 standard that is incompatible with, or is more stringent than, a
16 standard promulgated by the ~~federal department of housing and urban~~
17 ~~development~~ **UNITED STATES DEPARTMENT OF HOUSING AND URBAN**
18 **DEVELOPMENT** pursuant to the national manufactured housing
19 construction and safety standards act of 1974, 42 USC 5401 to 5426.
20 A local government ordinance may include reasonable standards
21 relating to mobile homes located outside of mobile home parks or
22 seasonal mobile home parks which ensure that mobile homes compare
23 aesthetically to site-built housing located or allowed in the same
24 residential zone.

25 (7) **AN OWNER OR OPERATOR MUST OBTAIN ALL OF THE FOLLOWING FROM**
26 **THE ENFORCING AGENCY FOR THE APPROPRIATE LOCAL GOVERNMENT:**

27 (A) **THE PROPER PERMITS PRESCRIBED BY THE STILLE-DEROSSETT-HALE**

1 SINGLE STATE CONSTRUCTION CODE ACT, 1972 PA 230, MCL 125.1501 TO
2 125.1531, TO INSTALL OR MAKE MODIFICATIONS TO A MANUFACTURED HOME
3 IN THIS STATE.

4 (B) A CERTIFICATE OF OCCUPANCY PRIOR TO OCCUPANCY OF ANY NEW
5 MOBILE HOME IN THIS STATE.

6 (8) LICENSED MOBILE HOME PARKS AND SEASONAL MOBILE HOME PARKS
7 THAT RENT UNITS TO TENANTS AND OWNERS OF MOBILE HOMES THAT ARE
8 RENTED TO TENANTS ARE SUBJECT TO ALL OF THE FOLLOWING:

9 (A) 1972 PA 348, MCL 554.601 TO 554.616.

10 (B) APPLICABLE LOCAL ORDINANCES AUTHORIZED BY SUBSECTION (9).

11 (C) APPLICABLE INSPECTION OR LICENSING REQUIREMENTS AUTHORIZED
12 UNDER THE LAWS OF THIS STATE.

13 (9) ~~(7) Notwithstanding anything in section 17, that may be to~~
14 ~~the contrary,~~ a local government may adopt an ordinance to inspect
15 mobile homes for safety within a mobile home park, a seasonal
16 mobile home park, or mobile homes located outside a mobile home
17 park or a seasonal mobile home park if the mobile home being
18 inspected is being rented to a tenant by the owner of the mobile
19 home. The local government may propose a means to determine which
20 mobile homes located within its jurisdiction are being rented to
21 tenants by the owner, including, but not limited to, imposition of
22 a registration or a licensing requirement for renting mobile homes
23 to tenants. A local government may inspect mobile homes rented to
24 tenants by the owner for safety if the safety inspection ordinance
25 applies to all other rental housing within the local governmental
26 unit. If a local government inspects mobile homes rented to tenants
27 by the owner for safety, the period between inspections shall not

1 be less than 3 years unless the local government is responding to a
2 complaint from a tenant. An inspection shall not be conducted on a
3 mobile home for which an occupancy permit has been issued by the
4 local government in the preceding 3 years unless the local
5 government is responding to a complaint from a tenant. Inspections
6 for safety shall not require enforcement of any mobile home
7 construction standards that are greater than those applicable to
8 the mobile home under the national manufactured housing
9 construction and safety standards act of 1974, 42 USC 5401 to 5426,
10 or standards or codes to which the mobile home was constructed if
11 it was constructed before application of the national manufactured
12 housing construction and safety standards act of 1974, 42 USC 5401
13 to 5426. As used in this section, "inspection for safety" means an
14 inspection of a rental mobile home that is limited to ensuring the
15 proper functioning, or protection, of the following:

- 16 (a) Furnace.
- 17 (b) Water heater.
- 18 (c) Electrical wiring.
- 19 (d) Proper sanitation and plumbing.
- 20 (e) Ventilation.
- 21 (f) Heating equipment.
- 22 (g) Structural integrity.
- 23 (h) Smoke alarms.

24 (10) A PERSON THAT OWNS A MOBILE HOME IS SUBJECT TO ALL OF THE
25 FOLLOWING:

26 (A) ALL OBLIGATIONS IMPOSED ON PERSONS THAT OWN MOBILE HOMES
27 BY THE APPLICABLE LAW OF THIS STATE, INCLUDING COMPLIANCE WITH ALL

1 BUILDING PERMITS AND REQUIREMENTS FOR CONSTRUCTION ON THE MOBILE
2 HOME AND LOT.

3 (B) ALL APPLICABLE LOCAL ORDINANCES AUTHORIZED BY THIS
4 SECTION.

5 (C) PAYMENT OF ALL FINES IMPOSED BY A LOCAL GOVERNMENT AS A
6 RESULT OF THE PERSON'S NONCOMPLIANCE WITH STATE LAW OR A LOCAL
7 ORDINANCE AUTHORIZED BY THIS ACT.

8 Sec. 9. (1) After consultation with and considering comments
9 from representatives of the manufactured housing industry and other
10 interested parties, the department shall promulgate rules to
11 establish fees and charges for the issuance of licenses or permits
12 under section 5.

13 (2) The fees and charges under this act shall be applied
14 solely to the implementation of the act and shall constitute the
15 total funding for the commission except as provided in 1959 PA 243,
16 MCL 125.1035 to 125.1043.

17 (3) A fee shall not be charged for an investigation conducted
18 pursuant to section 36.

19 ~~(4) A fee shall not be charged or collected by the commission~~
20 **THE COMMISSION SHALL NOT CHARGE OR COLLECT A FEE** in excess of that
21 necessary to administer and enforce this act **AND SATISFY THE**
22 **REQUIREMENTS FOR THE DEPARTMENT TO QUALIFY AS THE STATE**
23 **ADMINISTRATIVE AGENCY FOR THIS STATE UNDER 24 CFR PART 3282. THE**
24 **DEPARTMENT MAY CHARGE FEES THAT ARE NECESSARY TO ADMINISTER ITS**
25 **OBLIGATIONS UNDER 24 CFR PART 3282 TO THE EXTENT AUTHORIZED BY THE**
26 **UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT OR ANY**
27 **SUCCESSOR DEPARTMENT THAT ADMINISTERS 24 CFR PART 3282.**

1 (5) The department may promulgate rules to adjust the fees
2 established in subsection (1) and in sections 16, 21, 30a, and 30c
3 such that revenues obtained under this act equal appropriations by
4 the legislature for the purpose of administering this act. ~~However,~~
5 ~~the adjusted fees~~ **FEES ADJUSTED UNDER THIS SUBSECTION** shall not
6 exceed the fees stated in sections 16, 21, 30a, ~~and OR~~ 30c, **AS**
7 **APPLICABLE, EXCEPT TO THE EXTENT NECESSARY FOR THE DEPARTMENT TO**
8 **FULFILL ITS OBLIGATIONS AS THE STATE ADMINISTRATIVE AGENCY FOR THIS**
9 **STATE UNDER 24 CFR PART 3282.**

10 (6) To accomplish the objectives of this act, a mobile home
11 code fund is created. Fees established by ~~the~~ **THIS** act for the
12 issuance of licenses, plans approval, permits, certificates of
13 title, and affidavits of affixture ~~are intended to~~ **SHALL** bear a
14 reasonable relation to the cost, including overhead, of the
15 service. The state treasurer is the custodian of the fund and may
16 invest the surplus of the fund in investments that in the state
17 treasurer's judgment ~~are in the best interest~~ **SERVE THE PURPOSES** of
18 the fund. Earnings from those investments shall be credited to the
19 fund. The state treasurer shall report to the director and the
20 legislature the amount of interest credited and the balance of the
21 fund as of September 30 of each year. The director shall supervise
22 and administer the fund. Fees received by the department and money
23 collected under ~~the~~ **THIS** act shall be deposited in the fund and
24 shall be appropriated by the legislature ~~for the operation of the~~
25 ~~bureau of construction codes and fire safety and indirect overhead~~
26 ~~expenses in the department.~~ **FOR THE DIRECT EXPENSES OF THE**
27 **DEPARTMENT THAT ARE RELATED TO THE IMPLEMENTATION AND ENFORCEMENT**

1 OF THIS ACT AND THE RULES PROMULGATED UNDER THIS ACT. Funds that
2 are unexpended at the end of each fiscal year shall be returned to
3 the mobile home code fund.

4 Sec. 16. (1) A person shall not operate a mobile home park or
5 seasonal mobile home park without a license **ISSUED BY THE**
6 **DEPARTMENT UNDER THIS SECTION**. The term of a license is 3 years.
7 The department shall issue a license ~~only~~ if all of the following
8 requirements are met:

9 (a) The applicant submits a complete license application **TO**
10 **THE DEPARTMENT. THE NAME AND CONTACT INFORMATION OF AN OPERATOR OF**
11 **A MOBILE HOME PARK OR SEASONAL MOBILE HOME PARK SHALL BE STATED ON**
12 **THE APPLICATION AND INCLUDED ON THE LICENSE.**

13 (b) Certifications and recommendations of appropriate agencies
14 and local governments are submitted to and approved by the
15 department.

16 (c) The applicant pays the fee set forth in subsection
17 ~~(4)~~ (5).

18 (d) The mobile home park or seasonal mobile home park was
19 ~~approved as being~~ **FOUND TO BE** in substantial compliance after its
20 most recent inspection under section 17.

21 (2) **A PERSON THAT BECOMES AN OWNER SHALL NOTIFY THE DEPARTMENT**
22 **WITHIN 30 DAYS AFTER BECOMING AN OWNER AND SHALL IMMEDIATELY AFTER**
23 **BECOMING AN OWNER APPLY TO THE DEPARTMENT FOR A LICENSE UNDER**
24 **SUBSECTION (1). AN OWNER SHALL NOTIFY THE DEPARTMENT WITHIN 30 DAYS**
25 **AFTER A CHANGE OF OWNERSHIP OCCURRED. AN OWNER SHALL NOTIFY THE**
26 **DEPARTMENT WITHIN 30 DAYS OF A CHANGE OF MAILING OR ELECTRONIC**
27 **BUSINESS ADDRESS OF ANY OWNER OR OPERATOR.**

1 (3) NOT MORE THAN 180 DAYS AFTER THE EFFECTIVE DATE OF THE
2 AMENDATORY ACT THAT ADDED THIS SUBSECTION, THE DEPARTMENT SHALL
3 PUBLISH AND MAINTAIN ON THE DEPARTMENT'S WEBSITE A LIST OF EVERY
4 MOBILE HOME PARK AND SEASONAL MOBILE HOME PARK LOCATED IN THIS
5 STATE. THE LIST SHALL INDICATE FOR EACH MOBILE HOME PARK AND
6 SEASONAL MOBILE HOME PARK WHETHER IT POSSESSES A LICENSE UNDER
7 SUBSECTION (1) AND, IF SO, THE LICENSE NUMBER ISSUED BY THE
8 DEPARTMENT. THE DEPARTMENT SHALL UPDATE THE LIST OF MOBILE HOME
9 PARKS AND SEASONAL MOBILE HOME PARKS NOT LESS THAN ONCE MONTHLY.

10 (4) ~~(2)~~—The commission shall promulgate rules to do all of the
11 following:

12 (a) Provide standards and procedures for the commission to
13 determine whether a mobile home park or seasonal mobile home park
14 that is not in substantial compliance with the rules promulgated
15 under sections 5 and 6 is a distressed park. The standards and
16 procedures shall provide the owner with an opportunity for an
17 evidentiary hearing and require the commission to consider at least
18 all of the following:

19 (i) The length of time the mobile home park or seasonal mobile
20 home park has not been in substantial compliance with the rules
21 promulgated under sections 5 and 6.

22 (ii) Whether the owner or operator was notified and had
23 sufficient opportunity to bring the mobile home park or seasonal
24 mobile home park into substantial compliance.

25 (iii) Any imminent threat to the health or safety of the
26 residents of the mobile home park or seasonal mobile home park.

27 (iv) Whether the mobile home park or seasonal mobile home park

1 has been or is likely to be abandoned by the owner or operator.

2 (b) Require the owner of a distressed mobile home park or
3 seasonal mobile home park to post financial assurance in the form
4 of a bond, cash deposit, or other financial arrangement to ensure
5 ~~the repair and cleanup of THAT~~ the mobile home park or seasonal
6 mobile home park **IS BROUGHT INTO SUBSTANTIAL COMPLIANCE WITH RULES**
7 **PROMULGATED UNDER SECTIONS 5 AND 6**, including the repair of
8 substandard or noncomplying park-owned utility systems and the
9 removal and disposal of abandoned mobile homes, scrap material, or
10 other waste.

11 ~~—— (3) Not more than 180 days after the effective date of the~~
12 ~~amendatory act that added this subsection, the commission shall~~
13 ~~submit a report on progress on rule promulgation under subsection~~
14 ~~(2) to the standing committees of the senate and house of~~
15 ~~representatives with primary responsibility for legislation~~
16 ~~affecting mobile home parks.~~

17 (5) ~~(4)~~ The fee for a license to operate a mobile home park is
18 \$225.00, plus an additional \$3.00 for each home site in excess of
19 25 home sites in the mobile home park, or any lesser amount
20 established pursuant to section 9(5). The fee for a license to
21 operate a seasonal mobile home park is \$120.00, plus an additional
22 \$1.50 for each home site in excess of 25 home sites in the seasonal
23 mobile home park, or any lesser amount established pursuant to
24 section 9(5).

25 (6) ~~(5)~~ If a person submits a timely application for renewal
26 of a license and pays the appropriate fee, the person may continue
27 to operate a mobile home park or seasonal mobile home park unless

1 notified that the application for renewal is not approved.

2 (7) ~~(6)~~—A campground that is currently licensed under sections
3 12501 to 12516 of the public health code, 1978 PA 368, MCL
4 333.12501 to 333.12516, and was previously licensed under the
5 former licensing provisions of 1959 PA 243, MCL 125.1035 to
6 125.1043, as a seasonal trailer park may apply for and shall be
7 granted a license as a seasonal mobile home park under this act if
8 the campground meets all other requirements for licensure under
9 this act as a seasonal mobile home park.

10 Sec. 21. (1) A mobile home dealer shall not engage in the
11 retail sale of a mobile home without a license **ISSUED BY THE**
12 **DEPARTMENT UNDER THIS SECTION.**

13 (2) **A PERSON SHALL NOT INSTALL, SERVICE, OR REPAIR MOBILE**
14 **HOMES UNLESS THE PERSON POSSESSES A LICENSE ISSUED BY THE**
15 **DEPARTMENT.**

16 (3) ~~(2)~~—A mobile home dealer, mobile home installer, or
17 repairer may obtain an initial or renewal license by filing with
18 the commission an application together with consent to service of
19 process in a form prescribed by the commission pursuant to section
20 35.

21 (4) ~~(3)~~—~~An~~ **THE DEPARTMENT SHALL ISSUE TO A QUALIFIED APPLICANT**
22 **WHO HAS PAID THE APPROPRIATE FEE AN** initial or renewal license
23 under this act ~~shall be issued for~~ **A TERM OF** 3 years. Licenses
24 shall expire on October 1.

25 (5) ~~(4)~~—The license fee for a mobile home dealer is \$450.00 or
26 any other lesser amount established pursuant to section 9(5).

27 (6) ~~(5)~~—The license fee for a mobile home installer or

1 repairer is \$150.00 or any other lesser amount established pursuant
2 to section 9(5).

3 (7) ~~(6)~~—A licensed mobile home dealer, mobile home installer,
4 or repairer may file an application for the license of a successor,
5 whether or not the successor is then in existence, for the
6 unexpired portion of the year. The commission may grant or deny the
7 application.

8 (8) ~~(7)~~—A licensee who submits a timely application for
9 renewal of a license and pays the appropriate fee may continue
10 sales of mobile homes unless notified that the application for
11 renewal is not approved.

12 Sec. 36. (1) The department, a prosecuting attorney, or a law
13 enforcement officer of a municipality ~~may~~**SHALL DO ALL OF THE**
14 **FOLLOWING:**

15 (a) Make public or private investigations within or without
16 this state he or she considers necessary to determine if a person
17 violated or is about to violate this act or a rule promulgated or
18 order issued under this act. The department may inspect any
19 premises licensed under this act ~~for violation of~~**TO DETERMINE**
20 **WHETHER THE LICENSEE VIOLATED** this act ~~, the code, or rules~~
21 promulgated ~~pursuant to~~**UNDER** this act.

22 (b) Require a licensee to file a written statement in response
23 to a complaint of an alleged violation of this act or the rules
24 promulgated under this act received by a local government and
25 forwarded to the licensee. The statement shall state the facts and
26 circumstances concerning the matter raised in the complaint. If the
27 licensee does not make the required statement within 15 days after

1 the licensee receives the letter requiring the written statement,
2 the department, upon its own action or upon petition by the
3 prosecuting attorney or law enforcement officer of the municipality
4 issuing the letter, ~~may~~ **SHALL** issue an order directing a response
5 by the licensee.

6 (2) A prosecuting attorney or a law enforcement officer of a
7 municipality shall present any evidence of an alleged violation of
8 this act or rule promulgated under this act to the department. The
9 department ~~may~~ **SHALL** refer the evidence as is available concerning
10 violations of this act to the attorney general or the proper
11 prosecuting attorney who, with or without a reference, ~~may~~ **SHALL**
12 institute appropriate criminal proceedings under this act.

13 (3) Before, or simultaneous with, the commencement of a
14 criminal proceeding or a proceeding in which injunctive relief is
15 sought by the local government, that local government shall serve
16 copies of all pleadings in the matter upon the department.

17 (4) The department shall ~~render~~ **PROVIDE** assistance to a local
18 government or state agency **CONDUCTING INVESTIGATIONS OR PROCEEDINGS**
19 **UNDER THIS SECTION**. The department may use all investigative powers
20 conferred upon it to assist a local government.

21 Sec. 38. (1) The department ~~may~~ **SHALL** issue an order to show
22 cause why an order imposing sanctions or penalties allowed under
23 this act should not be issued by the commission if the department
24 finds that the order is in the public interest, and any of the
25 following:

26 (a) An application filed pertaining to a license, a disclosure
27 statement, or a related document filed with the department in

1 connection with a mobile home license, is incomplete in any
2 material respect or contains a statement which is false or
3 misleading, in ~~the~~ light of the circumstances under which it is
4 made.

5 (b) A provision of this act, or a rule, order, or condition
6 lawfully imposed under this act, was not complied with or was
7 violated in connection with the offering by the person filing the
8 document; the developer, dealer, or operator; a partner, officer,
9 director, proprietor, or manager of the developer, dealer, or
10 operator; or a person directly or indirectly controlling, or
11 directly controlled by, the developer, dealer, or operator.

12 (c) The ~~project~~ **MOBILE HOME PARK OR SEASONAL MOBILE HOME PARK**
13 worked or tended to work a fraud or deception or would so operate,
14 or the ~~project~~ **MOBILE HOME PARK OR SEASONAL MOBILE HOME PARK** would
15 create an unreasonable risk to prospective tenants, as defined by
16 rules promulgated by the commission.

17 (d) The developer, dealer, or operator; a partner, officer,
18 director, proprietor, or manager of the developer, dealer, or
19 operator; a person directly or indirectly controlling or directly
20 controlled by the developer, dealer, or operator; or a person
21 identified in the application for a license, or a disclosure
22 statement, was within the ~~past~~ 10 years **PRECEDING THE ISSUANCE OF**
23 **THE ORDER TO SHOW CAUSE** convicted of an offense under this act, or
24 is the subject of an administrative order issued under this act, or
25 had a civil judgment entered against ~~him or her~~ **THE PERSON** as a
26 result of a violation of this act or a rule promulgated or order
27 issued pursuant to this act, and the department determines that the

1 involvement of the person in the sale or development of the ~~project~~
2 **MOBILE HOME PARK OR SEASONAL MOBILE HOME PARK** creates an
3 unreasonable risk to prospective tenants or mobile home purchasers.

4 (e) The developer, dealer, or operator; a partner, officer,
5 director, proprietor, or manager of the developer; a person
6 directly or indirectly controlling or directly controlled by the
7 developer, dealer, or operator; or a person identified in the
8 application for a license, or a disclosure statement, was convicted
9 of a violation or the subject of an administrative order or civil
10 judgment as a result of a violation of a statute regulating the
11 offering of securities or franchises or licensing or regulating
12 builders, real estate brokers, or real estate salespersons. ~~, or of~~
13 ~~violation of the land sales act, Act No. 286 of the Public Acts of~~
14 ~~1972, being sections 565.801 to 565.835 of the Michigan Compiled~~
15 ~~Laws, or a rule promulgated or an order issued under that act.~~

16 (f) The applicant's method of business, construction,
17 development, or sales includes or would include **ILLEGAL** activities.
18 ~~which are illegal.~~

19 (g) The applicant failed to pay the proper fee.

20 (h) The applicant failed to comply with the state warranty
21 laws.

22 (2) When it appears to the department that a person engaged in
23 an act or practice constituting a violation of this act or a rule
24 promulgated or order issued under this act, the department may
25 issue a notice to show cause why a cease and desist order should
26 not be issued.

27 (3) After 10 days' notice and opportunity for hearing, the

department may stop construction ~~as to~~ **ON** part or all of a ~~project~~
~~if continuing the building~~ **MOBILE HOME PARK OR SEASONAL MOBILE HOME**
PARK IF CONTINUED CONSTRUCTION will cause irreparable harm to
 residents and prospective residents of the ~~project~~ **MOBILE HOME PARK**
OR SEASONAL MOBILE HOME PARK.

Sec. 43. (1) ~~If,~~ **EXCEPT AS PROVIDED IN SUBSECTION (2), IF,**
 after notice and a hearing as provided in the administrative
 procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, a person
 is determined to have violated this act, the commission may impose
 1 or more of the following penalties:

(a) Censure.

(b) Probation.

(c) License limitation.

(d) License suspension. The commission may request the
 appointment of a receiver when taking action under this
 subdivision.

(e) License revocation. The commission may request the
 appointment of a receiver when taking action under this
 subdivision.

(f) License denial.

(g) A civil fine of not more than \$50,000.00.

(h) Restitution.

(2) IF, AFTER NOTICE AND A HEARING AS PROVIDED IN THE
ADMINISTRATION PROCEEDINGS ACT OF 1969, 1969 PA 306, MCL 24.201 TO
24.238, A PERSON IS DETERMINED TO HAVE OPERATED A MOBILE HOME PARK
OR SEASONAL MOBILE HOME PARK WITHOUT A LICENSE AS REQUIRED UNDER
SECTION 16, THE COMMISSION SHALL IMPOSE A FINE OF NOT MORE THAN

1 \$100,000.00.

2 (3) ~~(2)~~—A fine collected under this section shall be deposited
3 with the state treasurer and credited to the mobile home code fund
4 created in section 9.

5 (4) ~~(3)~~—If the department determines that the owner or
6 operator of a mobile home park or seasonal mobile home park has
7 violated this act or rules promulgated under this act by failing to
8 maintain or repair any infrastructure or facilities of the mobile
9 home park or seasonal mobile home park, the department shall give
10 notice of the determination by personal service or first-class mail
11 to the local governments where the mobile home park is located, the
12 owner, the operator, and, if financial assurance in the form of a
13 bond has been posted under rules promulgated under section ~~16(2)~~,
14 16(4), the surety executing the bond. If the owner, operator, or
15 surety does not perform or commence the specified maintenance or
16 repair within 60 days after service of the notice, the department
17 or its authorized representative may enter the mobile home park or
18 seasonal mobile home park and perform the specified maintenance or
19 repair. At the request of the owner, operator, or surety, the
20 department may grant an extension of up to an additional 90 days.
21 The owner, operator, and any surety are jointly and severally
22 liable for all expenses incurred by the department or its
23 authorized representative in performing the specified maintenance
24 or repair. The department shall certify the claim to the owner,
25 operator, and any surety, listing in the claim the items of expense
26 in performing the maintenance or repair, and shall draw on any
27 financial assurance for the payment of the claim. The department

1 shall notify the local government where the mobile home park is
2 located when the specified maintenance or repair has been
3 completed.

4 (5) ~~(4)~~—This section does not prohibit actions from being
5 taken under other sections of this act.

6 (6) ~~(5)~~—The pursuit in court of the lawful rights of a
7 licensee does not constitute a violation of this act, regardless of
8 the outcome of the court action.

9 Enacting section 1. This amendatory act takes effect 90 days
10 after the date it is enacted into law.