

# HOUSE BILL NO. 4301

February 23, 2021, Introduced by Reps. Sneller, Cherry, Mueller, Witwer, Hertel, Kahle and Clements and referred to the Committee on Regulatory Reform.

A bill to amend 1987 PA 96, entitled  
"The mobile home commission act,"  
by amending sections 4, 35, and 43 (MCL 125.2304, 125.2335, and  
125.2343), sections 4 and 43 as amended by 2015 PA 40.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1       Sec. 4. (1) The commission may do all of the following:
- 2       (a) After consultation with and considering comments from
- 3       representatives of the manufactured housing industry and other
- 4       interested parties, **including, but not limited to, organizations**

1 **known by the commission to represent residents of mobile home**  
2 **parks,** recommend rules to the department to implement and  
3 administer this act.

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

7 (c) Determine the sufficiency of local mobile home ordinances  
8 that are designed to provide local governments with superintending  
9 control over mobile home businesses, mobile home parks, or seasonal  
10 mobile homes parks.

11 (d) Conduct public hearings relating to the powers prescribed  
12 in this subsection.

13 (2) ~~The director or an authorized representative of the~~  
14 ~~director~~ **department** shall do all of the following:

15 (a) **Employ an appropriate number of employees with the**  
16 **appropriate qualifications as required to implement and enforce**  
17 **this act and the rules promulgated under this act, including, but**  
18 **not limited to, staff to conduct community inspections, review**  
19 **financial information, manage the licensing process, and**  
20 **investigate potential violations of this act and the rules**  
21 **promulgated under this act.**

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

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

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

1           (e) ~~(d)~~ Provide assistance to the commission as the commission  
2 requires.

3           (f) ~~(e) On not less than a quarterly basis,~~ **At every quarterly**  
4 **meeting of the commission,** report to the commission on the  
5 expenditure of all fees collected under this act and the relation  
6 of those expenditures to the enforcement and administration of this  
7 act.

8           (g) ~~(f)~~ Post and maintain on the department's website all  
9 current guidelines.

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

17           (i) The clerk of the local government.

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

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

26          (i) ~~(h)~~ If the department receives a complaint about a  
27 condition at a mobile home park or seasonal mobile home park that  
28 imminently threatens the health or safety of the residents of the  
29 park, promptly notify each local government in which the park is

1 located of the details of the complaint.

2 (3) The commission shall not regulate mobile homes that are  
3 not located within a mobile home park or a seasonal mobile home  
4 park, except as relates to the business, sales, and service  
5 practices of mobile home dealers and the business practices of  
6 mobile home installers and repairers.

7 (4) Not later than January 1, 2023, the department shall  
8 establish or cause to be established a database of mobile home park  
9 owners that includes every licensed mobile home park owner's  
10 contact information, license number, and current licensing status  
11 and shall make the database available to the public on the  
12 department's website. The database must include each mobile home  
13 park owner that has a license to operate a mobile home park. The  
14 department must establish a method in which the public may submit a  
15 reporting form on its website regarding potentially unlicensed  
16 mobile home park owners and the department must update the public  
17 database within 30 days of a change in licensure status. To the  
18 extent it complies with the requirements of this subsection and  
19 subsection (5), the department may utilize an existing database.

20 (5) The database described in subsection (4) must provide a  
21 means by which a mobile home park owner may update the mobile home  
22 park owner's contact information. Every mobile home park owner must  
23 designate an individual who is an owner, officer, director, or  
24 employee of the mobile home park owner as the mobile home park  
25 owner's designee to communicate with the department and must  
26 provide that individual's contact information to the department,  
27 including the individual's current street address, monitored email  
28 address, and operational telephone number. A mobile home park owner  
29 must notify the department within 30 days if the mobile home park

owner sells a mobile home park and if the mobile home park owner's designee changes. If a mobile home park owner fails to update the information required in this subsection, the department may assess an administrative fine of \$50.00 on the mobile home park owner after notice and a hearing as provided under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328. The mobile home park owner must pay the fine assessed under this subsection before the department issues or renews a license to the mobile home park owner.

Sec. 35. (1) A person ~~who~~**that** applies for a license **to own a mobile home park or seasonal mobile home park or a construction** permit under this act, ~~which is for~~ other than a domestic corporation, shall file with the commission, in a form the commission prescribes, an irrevocable consent **to service of process** appointing the commission to be ~~its~~**the person's** attorney to receive service of lawful process in any noncriminal action or proceeding against ~~it or its~~**that person or that person's** successor, executor, or administrator ~~, which~~**that** arises under this act or a rule promulgated or order issued under this act after the consent **to service of process** is filed. ~~, Service of process pursuant to this subsection applies~~ with the same force and validity as if served personally on the person filing the consent **to service of process**.

(2) When a person, including a nonresident of this state, engages in conduct prohibited or made actionable by this act or a rule promulgated or order issued under this act, whether or not consent to service of process was filed and personal jurisdiction over ~~him or her~~**that person** cannot otherwise be obtained in this state, **engagement in** that conduct ~~shall be prohibited or made~~

1 **actionable by this act or a rule promulgated or order issued under**  
 2 **this act is** considered equivalent to ~~his or her the person's~~  
 3 appointment of the commission to be ~~his or her the person's~~  
 4 attorney to receive service of lawful process in a noncriminal  
 5 action or proceeding against ~~him or her or his or her that person~~  
 6 **or that person's** successor, executor, or administrator. ~~which grows~~  
 7 ~~out of that conduct and which is brought under this act or a rule~~  
 8 ~~promulgated or order issued under this act,~~ **Service of process**  
 9 **pursuant to this subsection applies** with the same force and  
 10 validity as if served on the person personally.

11 (3) **Service of process** under subsection (1) or (2) may be made  
 12 by filing a copy of the process in the office of the commission  
 13 together with a \$25.00 fee. The service is not effective unless ~~the~~  
 14 ~~plaintiff, which may be the commission in an action or proceeding~~  
 15 ~~instituted by it,~~ immediately sends notice of the service and a  
 16 copy of the process, **within 5 days of the receipt of the process,**  
 17 by registered or certified mail to the ~~defendant or respondent at~~  
 18 ~~his or her last known~~ **Michigan address of the defendant or**  
 19 **respondent** or takes other steps ~~which that~~ are reasonably  
 20 calculated to give actual notice ~~, and the plaintiff's to the~~  
 21 **defendant or respondent. The commission shall file the** affidavit or  
 22 **other proof of** compliance with this section ~~is filed in the case on~~  
 23 or before the return day of the process, if any, or within such  
 24 further time as the court allows.

25 Sec. 43. (1) If, after notice and a hearing as provided in the  
 26 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to  
 27 24.328, a person is determined to have violated this act, the  
 28 commission may impose 1 or more of the following penalties:

29 (a) Censure.

1 (b) Probation.

2 (c) License limitation.

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

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

9 (f) License denial.

10 (g) **An administrative fine of not more than \$5,000.00.**

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

12 (i) ~~(h)~~ Restitution.

13 (2) If the department determines that a mobile home park  
14 located in this state is owned by a person that does not have a  
15 license issued by the department to own that mobile home park, the  
16 department shall provide written notice to the unlicensed owner of  
17 the mobile home park. The department shall forward a copy of the  
18 written notice provided to an unlicensed owner of a mobile home  
19 park under this subsection to the clerk of the city, village, or  
20 township where the mobile home park is located. The written notice  
21 provided under this subsection must require the unlicensed owner of  
22 the mobile home park to apply to the department for licensure  
23 within 30 days of the date of the notice. If the unlicensed owner  
24 of the mobile home park does not apply for licensure within the 30-  
25 day period provided under this subsection, the department shall  
26 commence proceedings to impose a fine on the unlicensed owner of  
27 the mobile home park. If the department determines that a person  
28 owned a mobile home park or seasonal mobile home park without a  
29 license as required under section 16, the department shall impose a

1 fine of not more than \$100,000.00 after notice and a hearing as  
2 provided under the administrative procedures act of 1969, 1969 PA  
3 306, MCL 24.201 to 24.328. The department shall advise the attorney  
4 general of the failure of any person to pay any fine imposed under  
5 this section. The attorney general shall bring a civil action in a  
6 court of competent jurisdiction to recover the fine.

7 (3) ~~(2)~~—A fine imposed under subsection (1) may be collected  
8 by the imposition of a judgment lien by a court or obtaining a writ  
9 of garnishment against the person determined to have violated this  
10 act. A writ of garnishment under this section must be issued by a  
11 court of competent jurisdiction and directed to this state or the  
12 state treasurer to satisfy the fine. To obtain a writ of  
13 garnishment under this subsection, the commission must comply with  
14 the requirements of chapter 40 of the revised judicature act of  
15 1961, 1961 PA 236, MCL 600.4001 to 600.4065. A fine collected under  
16 this section shall be deposited with the state treasurer and  
17 credited to the mobile home code fund created in section 9.

18 (4) ~~(3)~~—If the department determines that the owner or  
19 operator of a mobile home park or seasonal mobile home park has  
20 violated this act or rules promulgated under this act by failing to  
21 maintain or repair any infrastructure or facilities of the mobile  
22 home park or seasonal mobile home park, the department shall give  
23 notice of the determination by personal service or first-class mail  
24 to the local governments where the mobile home park is located, the  
25 owner, the operator, and, if financial assurance in the form of a  
26 bond has been posted under rules promulgated under section 16(2),  
27 the surety executing the bond. If the owner, operator, or surety  
28 does not perform or commence the specified maintenance or repair  
29 within 60 days after service of the notice, the department or its



1 authorized representative may enter the mobile home park or  
 2 seasonal mobile home park and perform the specified maintenance or  
 3 repair. At the request of the owner, operator, or surety, the  
 4 department may grant an extension of up to an additional 90 days.  
 5 The owner, operator, and any surety are jointly and severally  
 6 liable for all expenses incurred by the department or its  
 7 authorized representative in performing the specified maintenance  
 8 or repair. The department shall certify the claim to the owner,  
 9 operator, and any surety, listing in the claim the items of expense  
 10 in performing the maintenance or repair, and shall draw on any  
 11 financial assurance for the payment of the claim. The department  
 12 shall notify the local government where the mobile home park is  
 13 located when the specified maintenance or repair has been  
 14 completed.

15 (5) ~~(4)~~—This section does not prohibit actions from being  
 16 taken under other sections of this act.

17 (6) ~~(5)~~—The pursuit in court of the lawful rights of a  
 18 licensee does not constitute a violation of this act, regardless of  
 19 the outcome of the court action.

20 Enacting section 1. This amendatory act does not take effect  
 21 unless all of the following bills of the 101st Legislature are  
 22 enacted into law:

23 (a) Senate Bill No. \_\_\_\_ or House Bill No. 4304 (request no.  
 24 00775'21).

25 (b) Senate Bill No. \_\_\_\_ or House Bill No. 4300 (request no.  
 26 01198'21).

27 (c) Senate Bill No. \_\_\_\_ or House Bill No. 4299 (request no.  
 28 01201'21).

29 (d) Senate Bill No. \_\_\_\_ or House Bill No. 4303 (request no.

1 01312'21).

2 (e) Senate Bill No. \_\_\_\_\_ or House Bill No. 4298 (request no.  
3 01319'21).

4 (f) Senate Bill No. \_\_\_\_\_ or House Bill No. 4302 (request no.  
5 01469'21).