

HOUSE BILL NO. 4304

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

A bill to amend 1987 PA 96, entitled
"The mobile home commission act,"
(MCL 125.2301 to 125.2350) by adding section 30j.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **Sec. 30j. (1) An owner of a mobile home park at which a mobile**
2 **home owned by another person is located may declare the mobile home**
3 **abandoned if all of the following conditions are met:**

4 **(a) A court of competent jurisdiction issued an order pursuant**
5 **to chapter 57 of the revised judicature act of 1961, 1961 PA 236,**

1 MCL 600.5701 to 600.5759, or chapter 57a of the revised judicature
2 act of 1961, 1961 PA 236, MCL 600.5771 to 600.5785, restoring
3 possession of the premises to the mobile home park owner.

4 (b) Either the mobile home has been continuously unoccupied
5 for at least 90 days after the court issued the order under
6 subsection (1) (a) or rent has not been paid for at least 10 days
7 after the court issued the order under subdivision (a).

8 (c) Any indebtedness that is secured by the mobile home or is
9 related to a lease agreement or terms of the tenancy between the
10 mobile home park owner and the mobile home owner is delinquent.

11 (d) The mobile home park owner has a license to own the mobile
12 home park under section 16.

13 (2) Before declaring a mobile home abandoned but after meeting
14 the requirements of subsection (1), the mobile home park owner must
15 do all of the following:

16 (a) Using industry standards, calculate the fair market value
17 of the mobile home and determine whether the fair market value of
18 the mobile home exceeds the sum of the amount of rent due and
19 unpaid for the premises occupied by the mobile home, any unpaid
20 fees, and any unpaid utility service fees that are owed to the
21 mobile home park by the mobile home owner.

22 (b) Affix a notice of intent to declare the mobile home
23 abandoned on the mobile home.

24 (c) Send a copy of the notice of intent to declare the mobile
25 home abandoned and a copy of the complete appraisal or other
26 valuation document on which the mobile home park owner relied to
27 determine the fair market value of the mobile home by certified
28 United States Postal Service mail to the mobile home owner, all
29 persons identified on the lease agreement between the mobile home

1 park owner and the mobile home owner, all forwarding addresses
2 provided by the mobile home owner to the mobile home park owner,
3 and all lienholders at the addresses listed on the mobile home
4 owner's title.

5 (d) File a copy of the notice of intent to declare the mobile
6 home abandoned with the secretary of state.

7 (3) If the mobile home park owner determines that the fair
8 market value of the mobile home, as calculated under subsection
9 (2) (a), exceeds the sum of the amount of rent due and unpaid for
10 the premises occupied by the mobile home, any unpaid fees, and any
11 unpaid utility service fees that are owed to the mobile home park
12 by the mobile home owner, the mobile home park owner shall, upon
13 filing the notice of intent to declare the mobile home abandoned
14 under subsection (2), make a good-faith effort to notify the mobile
15 home owner that he or she is entitled to receive the amount of the
16 excess from the mobile home park, subject to any liens on the
17 mobile home, that is equal to the fair market value of the mobile
18 home minus the sum of the amount of rent due and unpaid for the
19 premises occupied by the mobile home, any unpaid fees, and any
20 unpaid utility service fees that are owed to the mobile home park
21 by the mobile home owner.

22 (4) Upon receiving a notice of intent to declare a mobile home
23 abandoned, the secretary of state shall, within 10 days of the
24 receipt of the notice, send a written notice by United States
25 Postal Service mail to the mobile home owner and any lienholder at
26 all current addresses the secretary of state has in its records for
27 the mobile home owner and the lienholder. The written notice sent
28 by the secretary of state under this subsection must contain all of
29 the following:

1 (a) A statement explaining the requirements of this section.

2 (b) The secretary of state's contact information if the mobile
3 home owner intends to contest the declaration that the mobile home
4 is abandoned.

5 (c) A statement explaining that the mobile home owner may
6 contest the declaration that the mobile home is abandoned before a
7 court of competent jurisdiction.

8 (5) Upon receipt of a notice of intent to declare the mobile
9 home abandoned, the mobile home owner or a lienholder may enter
10 into the mobile home park to remove the mobile home. A mobile home
11 owner or a lienholder removing the mobile home under this
12 subsection is responsible to the mobile home park owner for all
13 actual damages to the mobile home park that result from the removal
14 of the mobile home and any amount owed under subsection (7). On
15 request of the mobile home owner or a lienholder, the mobile home
16 park owner must provide an itemized receipt that details the actual
17 damages to the mobile home park and any amount owed under
18 subsection (7).

19 (6) If a mobile home that is not encumbered by a lien remains
20 in the mobile home park for at least 30 days after the date the
21 written notice required to be sent by the secretary of state under
22 subsection (4) is postmarked, the mobile home park owner may
23 declare the mobile home abandoned and may apply to the secretary of
24 state to obtain title to the mobile home.

25 (7) If a mobile home that is encumbered by a lien remains in
26 the mobile home park for at least 60 days after the date of the
27 notice required to be sent by the owner of the mobile home park
28 under subsection (2)(c) is postmarked, the lienholder must inform
29 the mobile home park owner that the lienholder will not retain

1 ownership of the mobile home, remove the mobile home from the
2 mobile home park, or provide a written or electronic notice to the
3 mobile home park owner of the lienholder's intent to retain
4 ownership of the mobile home and remove the mobile home from the
5 mobile home park. If the lienholder notifies the mobile home park
6 owner that the lienholder intends to retain ownership of the mobile
7 home, the lienholder may, upon the payment of rent and fees that
8 have accrued from the date of the notice under subsection (2)(c),
9 keep the mobile home in the mobile home park as long as the
10 lienholder pays standard monthly lot rent, utility service fees,
11 and other normal charges from the date of the notice under
12 subsection (2)(c) until the mobile home is removed from the mobile
13 home park or sold to a new owner who enters into a lease agreement
14 with the mobile home park owner. A payment made under this
15 subsection is subject to late fees, nonsufficient fund fees, and
16 other service charges provided under the mobile home park's rent or
17 fee schedule. If the lienholder fails to meet the requirements of
18 this subsection or informs the mobile home park that the lienholder
19 will not retain ownership of the mobile home, all liens on the
20 mobile home are extinguished and the mobile home park owner may
21 declare the mobile home abandoned and may apply to the secretary of
22 state to obtain title to the mobile home.

23 (8) If a mobile home park owner applies for a title to the
24 mobile home under this section, the mobile home park owner shall
25 include with the application for a title an affidavit that includes
26 all of the following statements:

27 (a) That the affiant is the licensed owner of the mobile home
28 park in which the mobile home is located.

29 (b) That the title of the mobile home is being transferred to

1 the licensed owner of the mobile home park in which the mobile home
2 is located.

3 (c) That the mobile home park owner complied with all of the
4 requirements of this section.

5 (d) That the mobile home park owner is not aware of any
6 challenge to the declaration that the mobile home is abandoned or
7 any proceeding in a court of competent jurisdiction challenging the
8 declaration that the mobile home is abandoned.

9 (9) The secretary of state may require that the mobile home
10 park owner provide proof of its compliance with this section in the
11 application to transfer the title of the mobile home to the mobile
12 home park owner.

13 (10) The secretary of state shall, 10 days after receipt of
14 the complete application to transfer the title of the mobile home
15 to the mobile home park owner, issue title to the mobile home park
16 owner.

17 (11) Except as otherwise provided in subsection (7), if there
18 is evidence of a United States Postal Service mail return receipt
19 showing proof of delivery of the notice described in subsection (2),
20 from each lienholder required to be notified under subsection (2),
21 a title issued by the secretary of state to the mobile home park
22 owner is free of all liens.

23 (12) As part of the transfer of title to an abandoned mobile
24 home, the owner of a mobile home is entitled, subject to any liens,
25 to the fair market value of the mobile home minus the sum of the
26 amount of rent due and unpaid for the premises occupied by the
27 mobile home, any unpaid fees, and any unpaid utility service fees
28 to the mobile home park by the mobile home owner. If a mobile home
29 park owner takes title to a mobile home under the process outlined

1 in this section and the amount calculated under subsection (2) (a)
2 is less than zero, the lienholder has no further payment obligation
3 with regard to the mobile home and is not responsible for any
4 additional fees or costs owed to the mobile home park. If a mobile
5 home park owner takes title to a mobile home under the process
6 outlined in this section and the amount calculated under subsection
7 (2) (a) is greater than zero, the mobile home park owner shall do
8 all of the following:

9 (a) If the mobile home is not subject to a lien, within 90
10 days of receiving title, the mobile home park owner shall make a
11 good-faith effort to pay to the mobile home owner from which the
12 mobile home park owner received the title the amount calculated
13 under subsection (2) (a).

14 (b) If the mobile home is subject to a lien, within 90 days of
15 receiving title, the mobile home park owner shall pay to any
16 lienholder the amount for which the lienholder has provided written
17 evidence to the mobile home park owner as due and owing to that
18 lienholder. If any balance remains after the payment, the mobile
19 home park owner shall make a good-faith effort to pay the remaining
20 balance to the owner of the mobile home from which the mobile home
21 park owner received the title.

22 (c) If the owner of the mobile home from which the mobile home
23 park owner received the title does not claim the amount due under
24 subdivision (a) or the balance remaining under subdivision (b), the
25 mobile home park owner shall remit those amounts to the department
26 of treasury in accordance with the uniform unclaimed property act,
27 1995 PA 29, MCL 567.221 to 567.265.

28 (13) An owner of a mobile home not located within a mobile
29 home park may apply for a certificate of title under section 30a.

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

4 (a) Senate Bill No. _____ or House Bill No. 4301 (request no.
5 00774'21).

6 (b) Senate Bill No. _____ or House Bill No. 4300 (request no.
7 01198'21).

8 (c) Senate Bill No. _____ or House Bill No. 4299 (request no.
9 01201'21).

10 (d) Senate Bill No. _____ or House Bill No. 4303 (request no.
11 01312'21).

12 (e) Senate Bill No. _____ or House Bill No. 4298 (request no.
13 01319'21).

14 (f) Senate Bill No. _____ or House Bill No. 4302 (request no.
15 01469'21).