

A bill for an act
relating to manufactured homes; clarifying collection and deposit procedures for
the Minnesota manufactured home relocation trust fund; amending Minnesota
Statutes 2006, section 273.125, by adding a subdivision; Minnesota Statutes
2007 Supplement, section 327C.095, subdivisions 12, 13.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2006, section 273.125, is amended by adding a
subdivision to read:

Subd. 3a. **Minnesota manufactured home relocation trust fund.** The county
treasurer shall include by separate line item in the total amount to be collected from the
taxpayer, the \$12 per year statutory payment due to the Minnesota manufactured home
relocation trust fund for each manufactured home located in a licensed manufactured home
park, pursuant to section 327C.095, subdivision 12, paragraph (c). These annual payments
must be forwarded by the county treasurer to the commissioner of finance to be deposited
in the Minnesota manufactured home relocation trust fund under section 462A.35.

Sec. 2. Minnesota Statutes 2007 Supplement, section 327C.095, subdivision 12,
is amended to read:

Subd. 12. Payment to the Minnesota manufactured home relocation trust fund.
(a) If a manufactured home owner is required to move due to the conversion of all or a
portion of a manufactured home park to another use, the closure of a park, or cessation
of use of the land as a manufactured home park, the manufactured park owner shall,
upon the change in use, pay to the commissioner of finance for deposit in the Minnesota
manufactured home relocation trust fund under section 462A.35, the lesser amount of the
actual costs of moving or purchasing the manufactured home approved by the neutral

H.F. No. 3519, as introduced - 2007-2008th Legislative Session (2007-2008)

third party and paid by the Minnesota Housing Finance Agency under subdivision 13, paragraph (a) or (e), or \$3,250 for each single section manufactured home, and \$6,000 for each multisection manufactured home, for which a manufactured home owner has made application for payment of relocation costs under subdivision 13, paragraph (c). The manufactured home park owner shall make payments required under this section to the Minnesota manufactured home relocation trust fund within 60 days of receipt of invoice from the neutral third party.

(b) A manufactured home park owner is not required to make the payment prescribed under paragraph (a), nor is a manufactured home owner entitled to compensation under subdivision 13, paragraph (a) or (e), if:

(1) the manufactured home park owner relocates the manufactured home owner to another space in the manufactured home park or to another manufactured home park at the park owner's expense;

(2) the manufactured home owner is vacating the premises and has informed the manufactured home park owner or manager of this prior to the mailing date of the closure statement under subdivision 1;

(3) a manufactured home owner has abandoned the manufactured home, or the manufactured home owner is not current on the monthly lot rental, personal property taxes, or has failed to pay the annual \$12 payments to the Minnesota manufactured home relocation trust fund when due;

(4) the manufactured home owner has a pending eviction action for nonpayment of lot rental amount under section 327C.09, which was filed against the manufactured home owner prior to the mailing date of the closure statement under subdivision 1, and the writ of recovery has been ordered by the district court;

(5) the conversion of all or a portion of a manufactured home park to another use, the closure of a park, or cessation of use of the land as a manufactured home park is the result of a taking or exercise of the power of eminent domain by a governmental entity or public utility; or

(6) the owner of the manufactured home is not a resident of the manufactured home park, as defined in section 327C.01, subdivision 9, or the owner of the manufactured home is a resident, but came to reside in the manufactured home park after the mailing date of the closure statement under subdivision 1.

(c) Owners of manufactured homes who rent lots in a manufactured home park shall make annual payments to the ~~park owner~~ county treasurer, pursuant to section 273.125, subdivision 3a, to be deposited in the Minnesota manufactured home relocation trust fund under section 462A.35, in the amount of \$12 per year, per manufactured home, payable

H.F. No. 3519, as introduced - 2007-2008th Legislative Session (2007-2008)

~~in full on August 15 31 of each year. On or before July 15 of each year, the commissioner of finance shall prepare and post on the department's Web site a generic invoice and cover letter explaining the purpose of the Minnesota manufactured home relocation trust fund, the obligation of each manufactured home owner to make an annual \$12 payment into the fund, the due date, and the need to pay to the park owner for collection, and a warning, in 14-point font, that if the annual payments are not made when due, the manufactured home owner will not be eligible for compensation from the fund if the manufactured home park closes. The park owner shall receive, record, and commingle the payments and forward the payments to the commissioner of finance by September 15 of each year, with a summary by the park owner, certifying the name, address, and payment amount of each remitter, and noting the names and address of manufactured home owners who did not pay the \$12 annual payment, sent to both the commissioner of finance and the commissioner of the Minnesota Housing Finance Agency. The commissioner of finance shall deposit the payments in the Minnesota manufactured home relocation trust fund.~~

(d) This subdivision and subdivision 13, paragraph (c), clause (5), are enforceable by the neutral third party, on behalf of the Minnesota Housing Finance Agency, or by action in a court of appropriate jurisdiction.

Sec. 3. Minnesota Statutes 2007 Supplement, section 327C.095, subdivision 13, is amended to read:

Subd. 13. **Change in use, relocation expenses; payments by park owner.** (a) If a manufactured home owner is required to relocate due to the conversion of all or a portion of a manufactured home park to another use, the closure of a manufactured home park, or cessation of use of the land as a manufactured home park under subdivision 1, and the manufactured home owner complies with the requirements of this section, the manufactured home owner is entitled to payment from the Minnesota manufactured home relocation trust fund equal to the manufactured home owner's actual relocation costs for relocating the manufactured home to a new location within a 25-mile radius of the park that is being closed, up to a maximum of \$4,000 for a single-section and \$8,000 for a multisection manufactured home. The actual relocation costs must include the reasonable cost of taking down, moving, and setting up the manufactured home, including equipment rental, utility connection and disconnection charges, minor repairs, modifications necessary for transportation of the home, necessary moving permits and insurance, moving costs for any appurtenances, which meet applicable local, state, and federal building and construction codes.

H.F. No. 3519, as introduced - 2007-2008th Legislative Session (2007-2008)

(b) A manufactured home owner is not entitled to compensation under paragraph (a) if the manufactured home park owner is not required to make a payment to the Minnesota manufactured home relocation trust fund under subdivision 12, paragraph (b).

(c) Except as provided in paragraph (e), in order to obtain payment from the Minnesota manufactured home relocation trust fund, the manufactured home owner shall submit to the neutral third party and the Minnesota Housing Finance Agency, with a copy to the park owner, an application for payment, which includes:

(1) a copy of the closure statement under subdivision 1;

(2) a copy of the contract with a moving or towing contractor, which includes the relocation costs for relocating the manufactured home;

(3) a statement with supporting materials of any additional relocation costs as outlined in subdivision 1;

(4) a statement certifying that none of the exceptions to receipt of compensation under subdivision 12, paragraph (b), apply to the manufactured home owner;

(5) a statement from the manufactured park owner that the lot rental is current ~~and that the annual \$12 payments to the Minnesota manufactured home relocation trust fund have been paid when due;~~ and

(6) a statement from the county where the manufactured home is located certifying that personal property taxes for the manufactured home are paid through the end of that year and that the annual \$12 payments to the Minnesota manufactured home relocation trust fund have been paid when due.

(d) If the neutral third party has acted reasonably and does not approve or deny payment within 45 days after receipt of the information set forth in paragraph (c), the payment is deemed approved. Upon approval and request by the neutral third party, the Minnesota Housing Finance Agency shall issue two checks in equal amount for 50 percent of the contract price payable to the mover and towing contractor for relocating the manufactured home in the amount of the actual relocation cost, plus a check to the home owner for additional certified costs associated with third-party vendors, that were necessary in relocating the manufactured home. The moving or towing contractor shall receive 50 percent upon execution of the contract and 50 percent upon completion of the relocation and approval by the manufactured home owner. The moving or towing contractor may not apply the funds to any other purpose other than relocation of the manufactured home as provided in the contract. A copy of the approval must be forwarded by the neutral third party to the park owner with an invoice for payment of the amount specified in subdivision 12, paragraph (a).

H.F. No. 3519, as introduced - 2007-2008th Legislative Session (2007-2008)

(e) In lieu of collecting a relocation payment from the Minnesota manufactured home relocation trust fund under paragraph (a), the manufactured home owner may collect an amount from the fund after reasonable efforts to relocate the manufactured home have failed due to the age or condition of the manufactured home, or because there are no manufactured home parks willing or able to accept the manufactured home within a 25-mile radius. A manufactured home owner may tender title of the manufactured home in the manufactured home park to the manufactured home park owner, and collect an amount to be determined by an independent appraisal. The appraiser must be agreed to by both the manufactured home park owner and the manufactured home owner. The amount that may be reimbursed under the fund is a maximum of \$5,000 for a single section and \$9,000 for a multisection manufactured home. The manufactured home owner shall deliver to the manufactured home park owner the current certificate of title to the manufactured home duly endorsed by the owner of record, and valid releases of all liens shown on the certificate of title, and a statement from the county where the manufactured home is located evidencing that the personal property taxes have been paid. The manufactured home owner's application for funds under this paragraph must include a document certifying that the manufactured home cannot be relocated, that the lot rental is current, that the annual \$12 payments to the Minnesota manufactured home relocation trust fund have been paid when due, that the manufactured home owner has chosen to tender title under this section, and that the park owner agrees to make a payment to the commissioner of finance in the amount established in subdivision 12, paragraph (a), less any documented costs submitted to the neutral third party, required for demolition and removal of the home, and any debris or refuse left on the lot, not to exceed \$1,000. The manufactured home owner must also provide a copy of the certificate of title endorsed by the owner of record, and certify to the neutral third party, with a copy to the park owner, that none of the exceptions to receipt of compensation under subdivision 12, paragraph (b), clauses (1) to (6), apply to the manufactured home owner, and that the home owner will vacate the home within 60 days after receipt of payment or the date of park closure, whichever is earlier, provided that the monthly lot rent is kept current.

(f) The Minnesota Housing Finance Agency must make a determination of the amount of payment a manufactured home owner would have been entitled to under a local ordinance in effect on May 26, 2007. Notwithstanding paragraph (a), the manufactured home owner's compensation for relocation costs from the fund under section 462A.35, is the greater of the amount provided under this subdivision, or the amount under the local ordinance in effect on May 26, 2007, that is applicable to the manufactured home owner. Nothing in this paragraph is intended to increase the liability of the park owner.

H.F. No. 3519, as introduced - 2007-2008th Legislative Session (2007-2008)

6.1 (g) Neither the neutral third party nor the Minnesota Housing Finance Agency shall
6.2 be liable to any person for recovery if the funds in the Minnesota manufactured home
6.3 relocation trust fund are insufficient to pay the amounts claimed. The Minnesota Housing
6.4 Finance Agency shall keep a record of the time and date of its approval of payment to a
6.5 claimant.

6.6 (h) The agency shall report to the chairs of the senate Finance Committee and
6.7 house of representatives Ways and Means Committee by January 15 of each year on
6.8 the Minnesota manufactured home relocation trust fund, including the account balance,
6.9 payments to claimants, the amount of any advances to the fund, and the amount of any
6.10 insufficiencies encountered during the previous calendar year. If sufficient funds become
6.11 available, the Minnesota Housing Finance Agency shall pay the manufactured home
6.12 owner whose unpaid claim is the earliest by time and date of approval.