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BILL



ANALYSIS

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House Bill 4801 (Substitute S-1 as reported)
Sponsor: Representative Bob Constan
House Committee: Intergovernmental and Regional Affairs
Senate Committee: Local, Urban and State Affairs

Date Completed: 12-7-09

RATIONALE

Michigan law authorizes local units of government to conduct safety inspections of rental homes and apartments within their boundaries. Provisions allowing these inspections, however, do not apply to mobile homes being rented out by their owners. To ensure the safety of tenants, it has been suggested that local governments should be authorized to conduct inspections of rental mobile homes.

CONTENT

The bill would amend the Mobile Home Commission Act to authorize a local government to adopt an ordinance to conduct safety inspections of rental mobile homes.

Specifically, a local government could adopt an ordinance to inspect a mobile home for safety within a mobile home park or a seasonal mobile home park, or a mobile home located outside a mobile home park or seasonal mobile home park, if the mobile home were being rented to a tenant by the mobile home's owner. The local government could propose a means to determine which mobile homes located within its jurisdiction were being rented to tenants by the owner, including imposition of a registration or a licensing requirement for renting mobile homes to tenants.

A local government could inspect mobile homes rented to tenants for safety if the safety inspection ordinance applied to all other rental housing within the local unit. If a local government inspected rental mobile homes for safety, the period between

inspections could not be less than three years, unless the local government were responding to a complaint from a tenant. An inspection could not be conducted on a mobile home for which an occupancy permit had been issued by the local government in the preceding three years unless the local government were responding to a tenant's complaint. Inspections for safety could not require enforcement of any mobile home construction standards that were greater than those applicable to the mobile home under the National Manufactured Housing Construction and Safety Standards Act (42 USC 5401 to 5426), or standards or codes to which the mobile home was constructed if it were constructed before application of that Act.

("Inspection for safety" would mean an inspection of a rental mobile home that is limited to ensuring the proper functioning or protection of the furnace, water heater, electrical wiring, proper sanitation and plumbing, ventilation, heating equipment, and structural integrity.)

The authorization to inspect rental mobile homes would apply notwithstanding anything in Section 17 of the Mobile Home Commission Act that could be to the contrary. (That section requires the Department of Environmental Quality (DEQ) or its authorized representative to conduct a physical inspection of mobile home parks and seasonal mobile home parks in accordance with DEQ standards. If a park is approved, the DEQ must issue a license. Except for the purposes of issuing or renewing a license, a local government may

not make an inspection unless it has reason to believe that the Act, the Mobile Home Code, or rules promulgated under the Act were violated.)

Under the Act, a local government that proposes a standard related to mobile home parks or seasonal mobile home parks, or related to mobile homes located within a mobile home park or a seasonal mobile home park, that is higher than the standard provided in the Act or the Mobile Home Code, or that proposes a standard related to the business, sales, and service practices of mobile home dealers, or the business of mobile home installers and repairers, that is higher than the standard provided in the Act or the Code, must file the proposed standard with the Mobile Home Code Commission. The Commission may promulgate rules to establish the criteria and procedure for implementation of higher standards by a local government. Under the bill, this would apply except as provided above.

MCL 125.2307

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

The bill would acknowledge in State law that tenants of rented mobile homes deserve the same protection granted to people who rent other types of dwellings. Particularly during tough economic times when many people cannot afford to buy homes and turn to rental options, it is important that all types of housing are inspected for safety hazards. Rental mobile homes might not have been inspected since they were manufactured, which can be especially problematic in the case of older units. The bill would establish standards consistent with both the Mobile Home Code and the standards used for inspections of other types of rentals. Also, by requiring a minimum three-year period between inspections (unless a complaint were filed), the bill would protect tenant safety without unduly burdening mobile home owners.

Response: Local governments should not be limited to one inspection every three years. This restriction does not apply to inspections for rentals other than mobile homes; some municipalities choose to do

inspections annually, and many require inspections every two years. Under the bill, if a safety hazard existed in a particular mobile home, it could be three years before the local unit discovered it. While the bill contains an exception to the three-year rule in the case of a tenant complaint, renters can be hesitant to report problems for fear of retribution from their landlords. In other cases, tenants actually create safety hazards and do not report them. For these reasons, municipalities should be free to determine how frequently inspections should be done to protect mobile home tenants adequately.

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would minimally increase local revenue and expenditures. Expanding inspection responsibilities would increase expenditures. The increased costs would be offset by fees, such as licensing fees or inspection fees, assessed on mobile home units.

Fiscal Analyst: David Zin

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.