

HOUSE BILL NO. 5158

October 17, 2023, Introduced by Reps. Coffia, Rheingans, Byrnes, Brixie, Scott, Hope, Wegela and Wilson 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 described in
6 subdivision (a) or rent has not been paid for at least 10 days
7 after the court issued the order described in 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 send a written
15 notice to the mobile home owner that the mobile home owner is
16 entitled to receive the amount of the excess from the mobile home
17 park, subject to any liens on the mobile home, that is equal to the
18 fair market value of the mobile home minus the sum of the amount of
19 rent due and unpaid for the premises occupied by the mobile home,
20 any unpaid fees, and any unpaid utility service fees that are owed
21 to the mobile home park by the mobile home owner. A written notice
22 sent pursuant to this subsection must include a check for the
23 amount of the excess and a written statement in at least 12-point
24 boldfaced type that substantially conforms to the following:

25 "This payment is being sent to you pursuant to section 30j of
26 the mobile home commission act, 1987 PA 96, MCL 125.2330j. The
27 amount is determined by subtracting the amount of rent due and
28 unpaid for the premises occupied by your mobile home, any unpaid
29 fees, and any unpaid utility service fees that you owe to the

1 mobile home park from the fair market value of your mobile home.

2 If you accept this payment by cashing the check, depositing
3 the check into your bank account, or negotiating the check, you
4 agree and acknowledge that the calculation of the fair market value
5 of your mobile home is accurate and that you are releasing the
6 mobile home park from any further liability that arises under
7 section 30j of the mobile home commission act, 1987 PA 96, MCL
8 125.2330j.

9 If you do not agree with the calculation of the fair market
10 value of your mobile home, you have the right to dispute the mobile
11 home park's calculation of the fair market value of your mobile
12 home by bringing an action in a court of competent jurisdiction to
13 recover any excess amount you believe that is owed to you."

14 (4) Upon receiving a notice of intent to declare a mobile home
15 abandoned, the secretary of state shall, within 10 days of the
16 receipt of the notice, send a written notice by United States
17 Postal Service mail to the mobile home owner and any lienholder at
18 all current addresses the secretary of state has in the secretary
19 of state's records for the mobile home owner and the lienholder.
20 The written notice sent by the secretary of state under this
21 subsection must contain all of the following:

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

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

26 (c) A statement explaining that the mobile home owner may
27 contest the declaration that the mobile home is abandoned before a
28 court of competent jurisdiction.

29 (5) Upon receipt of a notice of intent to declare the mobile

1 home abandoned, the mobile home owner or a lienholder may enter
2 into the mobile home park to remove the mobile home. A mobile home
3 owner or a lienholder removing the mobile home under this
4 subsection is responsible to the mobile home park owner for all
5 actual damages to the mobile home park that result from the removal
6 of the mobile home and any amount owed under subsection (7). On
7 request of the mobile home owner or a lienholder, the mobile home
8 park owner must provide an itemized receipt that details the actual
9 damages to the mobile home park and any amount owed under
10 subsection (7).

11 (6) If a mobile home that is not encumbered by a lien remains
12 in the mobile home park for at least 30 days after the date the
13 written notice required to be sent by the secretary of state under
14 subsection (4) is postmarked, the mobile home park owner may
15 declare the mobile home abandoned and may apply to the secretary of
16 state to obtain title to the mobile home.

17 (7) If a mobile home that is encumbered by a lien remains in
18 the mobile home park for at least 60 days after the date of the
19 notice required to be sent by the owner of the mobile home park
20 under subsection (2)(c) is postmarked, the lienholder must inform
21 the mobile home park owner that the lienholder will not retain
22 ownership of the mobile home, remove the mobile home from the
23 mobile home park, or provide a written or electronic notice to the
24 mobile home park owner of the lienholder's intent to retain
25 ownership of the mobile home and remove the mobile home from the
26 mobile home park. If the lienholder notifies the mobile home park
27 owner that the lienholder intends to retain ownership of the mobile
28 home, the lienholder may, upon the payment of rent and fees that
29 have accrued from the date of the notice under subsection (2)(c),

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

15 (8) If a mobile home park owner applies for a title to the
16 mobile home under this section, the mobile home park owner shall
17 include with the application for a title an affidavit that includes
18 all of the following statements:

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

21 (b) That the title of the mobile home is being transferred to
22 the licensed owner of the mobile home park in which the mobile home
23 is located.

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

26 (d) That the mobile home park owner is not aware of any
27 challenge to the declaration that the mobile home is abandoned or
28 any proceeding in a court of competent jurisdiction challenging the
29 declaration that the mobile home is abandoned.

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

5 (10) The secretary of state shall, 10 days after receipt of
6 the complete application to transfer the title of the mobile home
7 to the mobile home park owner, issue title to the mobile home park
8 owner.

9 (11) A mobile home owner whose mobile home has been declared
10 abandoned under this section retains the right to sell the mobile
11 home until the mobile home owner accepts payment under subsection
12 (3) or the secretary of state issues a title to the mobile home
13 park owner under subsection (10). A mobile home owner that
14 exercises the right under this subsection is responsible to the
15 mobile home park owner for any rent and fees that have accrued from
16 the date of the notice under subsection (2)(c).

17 (12) 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 (13) As part of the transfer of title to an abandoned mobile
24 home, the mobile home owner is entitled, subject to any liens, to
25 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 that are owed to the mobile home park by the mobile home owner. If
29 a mobile home park owner takes title to a mobile home under the

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

22 (c) If the mobile home owner from which the mobile home park
23 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 (14) An owner of a mobile home that is not located within a
29 mobile home park may apply for a certificate of title under section

1 30a.

2 Enacting section 1. This amendatory act does not take effect
3 unless all of the following bills of the 102nd Legislature are
4 enacted into law:

5 (a) Senate Bill No. _____ or House Bill No. 5157 (request no.
6 00827'23 *).

7 (b) Senate Bill No. _____ or House Bill No. 5160 (request no.
8 03683'23 *).

9 (c) Senate Bill No. _____ or House Bill No. 5159 (request no.
10 03699'23 *).

11 (d) Senate Bill No. _____ or House Bill No. 5161 (request no.
12 03701'23 *).