

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** CS/HB 259 Affordable Housing  
**SPONSOR(S):** Economic Expansion & Infrastructure; Attkisson  
**TIED BILLS:** **IDEN./SIM. BILLS:** SB 2438

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REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Committee on Infrastructure</u>	<u>7 Y, 1 N</u>	<u>Peterson</u>	<u>Miller</u>
2) <u>Economic Expansion &amp; Infrastructure Council</u>	<u>13 Y, 0 N, As CS</u>	<u>Peterson</u>	<u>Tinker</u>
3) <u>Policy &amp; Budget Council</u>	<u></u>	<u></u>	<u></u>
4) <u></u>	<u></u>	<u></u>	<u></u>
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### SUMMARY ANALYSIS

CS/HB 259 addresses the relocation of mobile homes when a land use change results in the eviction from a mobile home park. Specifically, the CS creates and amends law to accomplish the following:

- Specifies the terms of the notice that mobile home park owners must provide to homeowners at least six months before a change in the use of the park.
- Provides a late fee for a mobile home park owners' untimely payment of a relocation fee to be deposited into the Florida Mobile Home Relocation Trust Fund.
- Provides that, in an action brought by the corporation to collect assessed payments, the Florida Mobile Home Relocation Corporation may file and maintain the action in Leon County. It also provides that Leon County is the proper venue for any action to which the corporation is a party.
- Provides a 1 year time limit during which a mobile home owner who has been required to move from a mobile home park may file a claim for relocation expenses from the Florida Mobile Home Relocation Corporation. Under certain conditions, the time limit is extended to 2 years.

The CS takes effect upon becoming a law.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. HOUSE PRINCIPLES ANALYSIS:

**Ensure lower taxes** - The CS imposes late fees for failure to make timely payments to the Florida Mobile Home Relocation Corporation.

#### B. EFFECT OF PROPOSED CHANGES:

##### **Present Situation – Mobile Home Housing**

###### Florida Mobile Home Park Regulation – In General

In 2001, the Legislature created the Mobile Home Relocation Program in response to concerns associated with the closure of mobile home parks. The program, which was implemented with the support of the Florida Manufactured Housing Association and the Federation of Manufactured Home Owners of Florida, was codified in Chapter 723, Florida Statutes. The landlord-tenant relationship between a mobile home park owner and a mobile home owner in a mobile home park is a unique relationship. Traditional landlord-tenant concepts are thought inapplicable where the land is owned by the park and the homes on the property are owned by the home owner. This relationship is impacted by the high cost of moving a mobile home. Chapter 723, F.S., the “Florida Mobile Home Act,” governs the relationship between mobile home park owners and mobile home owners, including financial assistance to home owners who are displaced when the property, under certain circumstances, is no longer used as a mobile home park.

In order to evict mobile home owners due to a change in the use of the land on which the mobile home park is located, the park owner is required to give the tenants affected by the change at least 6 months’ notice of the projected change in land use in order to give tenants time to find other accommodations. The notice of a change in land use must be in writing and posted on the premises and sent to the mobile home tenant or occupant.

###### Financial Assistance for Mobile Home Relocation Expenses

Section 723.0612, F.S., relates to a change in use of the land comprising a mobile home park, or a change in the portion upon which the tenant resides. It also addresses relocation expenses and payments by a mobile home park owner. This section provides that if a mobile home owner is required to move due to a change in use of the mobile home park property, and the mobile home owner meets certain conditions, then the mobile home owner is entitled to financial assistance to help offset certain moving expenses.

###### Florida Mobile Home Relocation Trust Fund

Section 723.06115, F.S., establishes the Florida Mobile Home Relocation Trust Fund within the Department of Business and Professional Regulation. The relocation trust fund was created to provide revenues for payments to mobile home owners under the relocation program and for the administrative costs associated with managing the trust fund.

Section 723.007, F.S., imposes an annual assessment of \$4.00 per lot on mobile home lots located within mobile home parks. The fee is collected by the mobile home park owner and is paid to the Division of Land Sales, Condominiums, and Mobile Homes. These revenues are deposited into the Florida Land Sales, Condominiums, and Mobile Homes Trust Fund to partially fund operations of the division. Additionally, this section imposes a one dollar surcharge on the annual assessment for deposit

in the relocation trust fund. Section 320.08015, F.S., relating to motor vehicles, imposes an additional one dollar annual license tax on mobile homes for deposit in the relocation trust fund.

### Florida Mobile Home Relocation Corporation

Section 723.0611, F.S., relates to the Florida Mobile Home Relocation Corporation (Corporation). The Corporation is administered by a board of directors made up of six members. The Corporation is authorized to manage the relocation trust fund. Currently, as a result of being required to relocate due to a change in the use of the mobile home park, an owner of a mobile home has the option of being reimbursed for moving expenses, or under s.723.0612(7), F.S., a mobile home owner may elect to sell the mobile home rather than move it. When the mobile home owner makes application for payment and is approved by the Corporation, the mobile home owner is then authorized to receive compensation from the Corporation which is paid out of the relocation trust fund.

The amount of the payment is the actual moving expenses of relocating the mobile home to a new location within a 50-mile radius of the vacated park, or \$3,000 for a single-section mobile home, or \$6,000 for a multi-section mobile home, whichever is less. Moving expenses are defined to include the cost of taking down, moving, and setting up the mobile home in a new location. The mobile home park owner is required to make payment to the corporation in the amount of \$2,750 per single-section mobile home and \$3,750 per multi-section mobile home for each application for moving expenses due to a change in land use. These payments are due within 30 days after receipt of the invoice from the Corporation. Payments received by the Corporation are deposited in the relocation trust fund.

### **Effect of proposed changes**

#### Disclosure notice

The CS requires a mobile home park owner to expand the current 6 month notice of the projected change in the use of the park which is required to be given to affected home owners to include a statement of the existence of the corporation and the relocation trust fund. The notice must also state that the resident may be entitled to receive financial assistance from the fund and information regarding the program may be obtained from the DBPR.

#### Relocation payments

The CS imposes a late fee if a mobile home park owner who is changing the land use for a mobile home park fails to make the required payment to the relocation trust fund for each single-section and multi-section mobile home for which the home owner has made application for moving expenses. The late fee ranges from 10 percent to 25 percent depending on when the payment is made, and the fee is imposed beginning 30 days after receipt of the invoice for payment.

The CS provides that, in an action brought by the corporation to collect assessed payments, the corporation may file and maintain the action in Leon County. The CS provides that, if the party is a party to any other action, venue for the action must also be in Leon County.

The CS prohibits a mobile home owner from making an application for funding if the applicant has settled a claim or cause of action against the corporation, park owner, or the park owner's successors in interest directly related to the change in the use of the land for the mobile home park. The CS limits the period for filing an application for moving expenses to 1 year after the expiration of the eviction period as established in the notice of the change of land use. If the homeowner has filed a claim or cause of action that is subsequently dismissed with prejudice, the bill gives the homeowner six months following the dismissal to submit the application for moving expenses. However, such an applicant must file the application within two years after the expiration of the eviction period as established in the notice of the change of land use.

The act shall take effect upon becoming a law.

C. SECTION DIRECTORY:

**Section 1:** Amends s. 723.061, F.S., to require that the notice of change of the use of the mobile home park include a statement of the existence of the relocation trust fund and that the affected resident may be entitled to receive financial assistance from that fund.

**Section 2:** Amends s. 723.06116, F.S., to authorize late fees to be imposed if a mobile home park owner does not make timely payments to the Florida Mobile Home Relocation Corporation. In addition, in an action brought by the corporation to collect assessed payments, the corporation may file and maintain the action in Leon County. The CS provides that, if the party is a party to any other action, venue for the action must also be in Leon County.

**Section 3:** Amends s. 723.0612, F.S., to create time frames for submitting and processing applications for funding for relocation expenses by the relocation corporation.

**Section 4:** Provides the CS takes effect upon becoming a law.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

The imposition of the graduated late fee will reduce the percentage of late payments to The Florida Mobile Home Relocation Trust Fund and the fund may receive indeterminate additional funds from the late fees.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Mobile home owners would benefit if local governments provide funding for relocation expenses when the owners are evicted from a park that is undergoing a change in land use.

Mobile home owners who do not submit an application for moving expenses within one year after the expiration of the eviction period as established in the notice of the change of land use would be denied their claim.

Mobile home park owners who do not submit payments to the Florida Mobile Home Relocation Trust Fund would have to pay late fees.

D. FISCAL COMMENTS:

### III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The CS does not appear to require counties or municipalities to take action requiring the expenditure of funds, does not appear to reduce the authority that counties or municipalities have to raise revenue in the aggregate, and does not appear to reduce the percentage of state tax shared with other counties or municipalities.

2. Other:

None

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None

D. STATEMENT OF THE SPONSOR

No statement submitted.

### IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES

The Committee on Infrastructure considered HB 259 on March 19, 2007 and adopted two amendments. The first amendment clarified that the teacher down payment assistance program is a pilot program. The second amendment removed the appropriations for the down payment assistance program. The bill was reported favorably with the two amendments.

The Economic Expansion and Infrastructure Council considered HB 259 on April 17, 2007 and adopted a strike all amendment. The amendment removed the provisions pertaining to: the teacher down payment assistance program, the requirement for local governments and community development agencies to provide incentives to encourage continued use of mobile home parks and to use all available funding sources to assist in the relocation of mobile homes resulting from the redevelopment of mobile home parks, and legislative intent encouraging mobile home owners to organize as a homeowners' association for the purpose of negotiating a right of first refusal with a mobile home park owner on the sale of a mobile home park.