

**Testimony in Support of
ENGROSSED SENATE BILL NO. 2159
House Industry Business & Labor Committee
March 10, 2021**

Chairman Lefor, members of the House Industry Business & Labor Committee, for the record my name is Vince Sanders.

I am and have been involved with mobile home and manufactured home park communities in North Dakota both as a park manager and as a tenant. I am also a member of the North Dakota Manufactured Housing Association and have been active as a member for several years.

I am submitting this testimony on my own behalf and in support of SB 2159. I am in favor of SB 2159 because this bill provides a fair, reasonable, and balanced approach to protect the residents in the mobile home and manufactured home park communities in North Dakota, both with the existing park communities and any new ownership situations. The same rules for tenant rights are being applied and required for new and existing park communities in North Dakota.

I have been a resident of Stardust Terrace since 1988. I also managed the park community for two different owners. Both of my past experiences have provided me with a strong working knowledge, experience and understanding of how mobile home and manufactured home park communities operate and the relationships that exist with the tenants.

Since certain mobile home park communities were purchased by an out-of-state entity the past couple years, I have heard of certain concerns from tenants that are being addressed by SB 2159. I have also heard from other properties that were purchased in the Bismarck area before Stardust was sold, that similar concerns existed and are being addressed by SB 2159.

The provisions of SB 2159 are addressing several issues that needed to be addressed. I think SB 2159 will help establish specific provisions and standards for

new ownership situations and also for existing park communities to follow going forward, if any of the existing park communities are not currently doing so.

2159 is not costly nor is it devastating to park community owners. In the paragraphs below I will explain my reasoning.

1. The reason 2159 states that owners need to have a local office that is staffed from 8:00 am to 5:00 pm Monday through Friday is because some local communities are not answering phone calls for tenant complaints nor for tenant emergencies. This does not target smaller communities. The term used as “office” can mean a resident inside of the park who has keys or a phone that they answer for complaints or emergencies. Every park needs a physical location and if more than one park exist in a city location then the various communities can establish a single common office location that tenants can go to in order to talk to someone employed by the park ownership as many people may not have a phone.
2. 2159 requires a disclosure of information in the transformation period of a sale because the tenants reside and own property that is located within the community that is being purchased. The tenants of the community deserve to know, who they are renting from, how to contact them, what the communities name is going to be, and how to get an updated lease agreement. Confidentiality is fine until the sale closes but the tenants need to know who owns the property.
3. 2159 requires communities to give a six month notice to increase rents if rent was just raised within the past 60 days. This was established to give the tenants of the community a chance to either sell their home or move it due to not being able to afford the rental increase. Landlords do have the right to establish rents for their properties, but due to North Dakota winters they have to allow adequate time for tenants to move their property if rent is no longer affordable.
4. 2159 states that park owners are to provide a six month notice to residents to modify park rules. Again, this was put in to give the tenants of the park community adequate time to move their property if they cannot or do not want to comply with the new set of rules. People may not be able to move or make changes to their home in the middle of winter. These are simple tenant rights that are fair, reasonable, and necessary.

5. 2159 requires park owners to not charge unreasonable administration fees to provide utility services. This was put in because you cannot sell or sub-lease utility services. If the park community does not have individual meters, then the owners need to come up with a fair and reasonable lot rent price that is the same for the entire community.
6. 2159 allows for a \$1,000 fine to the park owner if a resident should win a claim in court for a violation. The tenants of the park community should have the right to voice their concerns and enforce the rights established. This will prevent community owners from being able to do what they want whenever they want without consequences. The civil penalty of \$1,000 fine or actual damages as may be proven is an excellent way to prevent any reoccurring and future issues between the tenants and park community owners.

SB 2159 provides a reasonable balance with a set of rules and standards for park communities to abide by when they purchase and operate a new or existing mobile home or manufactured home community park in North Dakota. The park community tenants are unique in that they have a significant investment in their home and occupy their home located in a park community that is owned and managed by someone else who controls their activity and does not always consider the interests of and impact on the individual park community tenants in doing so.

This bill, SB 2159, provides a fair approach to follow to protect the interests of North Dakota residents and the existing park communities that any new park owners in the future will have to follow and comply with as well.

Accordingly, I would urge this House IBL committee to support the passage of SB 2159 and ask that you give SB 2159 a favorable **DO PASS** recommendation. I would be happy to try to answer any questions. Thanks, Vince Sanders