

January 18, 2021

PROPOSED AMENDMENTS TO SENATE BILL NO. 2159

Page 1, line 1, replace "a" with "two"

Page 1, line 1, replace "section" with "sections"

Page 1, line 2, remove "when ownership of the park is"

Page 1, line 3, remove "transferred"

Page 1, line 3, remove "and"

Page 1, line 3, after "penalty" insert "; and to provide an effective date"

Page 3, line 7, remove "electric, gas,"

Page 3, line 7, remove the third underscored comma

Page 3, after line 19, insert:

"**SECTION 2.** A new section to chapter 47-10 of the North Dakota Century Code is created and enacted as follows:

Mobile home park - Ownership - Tenant rights - Penalty.

1. A person that owns a mobile home park shall:
 - a. Obtain an annual license under section 23-10-03;
 - b. Designate an official local office, which must:
 - (1) Have a designated telephone number manned on weekdays between the hours of eight a.m. and five p.m.;
 - (2) Have an operational emergency contact number manned at all times;
 - (3) Employ at least one individual on the site of the property who has the authority to make decisions on behalf of and perform, or direct the performance of, duties imposed on the owner; and
 - (4) Provide a tenant with the contact information of the individual under paragraph 3;
 - c. Provide advance written notice to a tenant of the mobile home park at least thirty days before a change of ownership becomes effective. The written notice must include the information required under subdivision b;
 - d. Provide a tenant with a copy of the rules and regulations of the mobile home park, pursuant to section 23-10-10; and
 - e. Respond to tenant inquiries or complaints regarding the park, pursuant to section 23-10-10.1, within forty-eight hours of receiving the inquiry or complaint.

2. A person that owns a mobile home park may not require a tenant who owns a mobile home located on the property to sell or transfer ownership of the home to the owner of the mobile home park.
3. Except as provided under subsections 4 and 5, a person that owns a mobile home park shall provide a tenant advance written notice of any modifications to park rules or regulations at least six months before the date the modifications take effect. Upon the effective date of modifications to park rules and regulations, an owner shall provide a tenant who owns a dwelling unit that fails to comply with the park rules and regulations written notice of the failure to comply and provide the tenant six months to remedy the failure or vacate the premises before initiating an action for eviction against the tenant.
4. A person that owns a mobile home park must provide a tenant advance written notice of any modifications to park rules and regulations addressing sanitation and safety concerns at least thirty days before the date the modifications take effect.
5. A person that owns a mobile home park shall provide a tenant advance written notice at least thirty days before implementing a rule or regulation regarding the removal of a tongue hitch, or any other modification to the dwelling unit to comply with state or federal housing or financing requirements.
6. Mobile home park rules in effect on the date advance written notice regarding modifications is provided to a tenant remain in effect until the date the modified rules or regulations take effect.
7. An owner or employee of a mobile home park may not enter the dwelling unit of a tenant located in the park unless:
 - a. The tenant provides consent;
 - b. The owner or employee provides the tenant advance notice identifying a specific date and time for the entry; or
 - c. An emergency exists which would result in serious injury, damage to the dwelling unit, or damage to a neighboring dwelling unit.
8. A person that owns a mobile home park may purchase utility services, including water and sewer services on behalf of a tenant, and include the amount in the monthly rental obligation. An owner may not charge a tenant more than the actual cost per unit amount paid by the landlord to the utility service provider, except for a reasonable administrative fee. An owner may not charge or back charge for the utility services of a tenant paying for the services as a portion of the tenant's monthly rental obligation, unless the cost of providing the services increases. If the cost of providing utility services increases, an owner of a mobile home park may charge a tenant a reasonable amount to cover the increased cost of providing the service. The owner shall provide the tenant access to the records of meter readings taken at the mobile home lot of the tenant.

9. A person that violates a provision of this section is subject to a civil penalty not exceeding one thousand dollars or actual damages, whichever is less, plus reasonable attorney's fees and costs.

SECTION 3. EFFECTIVE DATE. Section 2 of this Act becomes effective on October 1, 2021."

Renumber accordingly

Testimony of
Senator Dick Dever
SB 2159
Senate IBL
January 20, 2021

Mr. Chairman, committee members, I am Dick Dever, Senator from District 32 here in Bismarck. I regret that I am unable to participate in the hearing either in person or virtually.

I was six years old in 1958 when my Dad backed his pickup up to our house and pulled it from Colorado to North Dakota. It was 8' wide and 36' long. It was home for my parents, my three brothers, and me. As you might imagine, we spent a lot of time outside and had free run of the court, along with all the other kids. Mobile homes are not so mobile anymore. Kids still need that outside time.

In the last two or three years, there have been several Manufactured Home parks across the state purchased by wealthy investors from out of state. I am aware of five in Bismarck, one in Lincoln, three in Fargo, and one in Minot. I understand there may be others.

My sense is that the companies that are buying the parks are made up of wealthy investors who have shifted their financial holdings from the stock market to real estate in order to avoid the volatility for their investments. There may also be tax incentives. They are interested in the bottom line and are insensitive to the quality of life for their residents.

The company that purchased the parks in Bismarck and Fargo has made it known that the proper rent for someone to pay for the lot on which their home sits should be comparable to the going rate in the community for a two bedroom apartment. Add that rent to a mortgage on the home, and a resident would be approaching the cost of owning a single family home on their own lot.

As legislators, we should be concerned about the affordability of housing for the hundreds of our citizens who might otherwise be homeless or looking for low income housing. People live in manufactured homes because they are able to own their home.

Mobile homes are not so mobile anymore. When a home is set, the wheels are generally removed. Sometimes, they are set on concrete footings. Sometimes, they cut the tongues off. Newer parks don't allow homes under a certain size or smaller than a certain standard. If someone is evicted, or chooses to leave a park, their options are very limited.

If you were to take a drive on 9th St north of the police station in Bismarck, you would notice several empty lots in the mobile home park. I understand the obligation of the tenants to pay their rent, but I have to wonder where those residents are now. Unable to move their homes, I have to wonder about the equity they left behind. I have to wonder about the considerations we need to make regarding affordable housing.

This situation came up suddenly in the interim. It affects a lot of our citizens across the state. I requested an interim study to consider the impact. My request was denied, I think, because there is no interest in any kind of rent control. I agree with that, but I think there are other factors we should be considering.

I would appreciate your support of the bill. I will look forward to any ongoing conversations to which I can contribute. Thank you.