

SENATE BILL NO. 489

September 13, 2023, Introduced by Senators SANTANA, CHERRY, CAMILLERI, BAYER, CAVANAGH, CHANG, MCMORROW, GEISS and IRWIN and referred to the Committee on Housing and Human Services.

A bill to amend 1987 PA 96, entitled "The mobile home commission act," by amending sections 35, 43, and 48 (MCL 125.2335, 125.2343, and 125.2348), sections 43 and 48 as amended by 2015 PA 40, and by adding section 30m.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **Sec. 30m. (1) An owner of a mobile home park or seasonal**
2 **mobile home park shall notify, in accordance with subsection (2) or**
3 **(3), the department, the residents of all mobile homes in the**
4 **mobile home park or seasonal mobile home park, and the municipality**

1 in which the mobile home park or seasonal mobile home park is
2 located or, if none, the county in which the mobile home park or
3 seasonal mobile home park is located, of the mobile home park or
4 seasonal mobile home park owner's intent to change the use of the
5 land comprising the mobile home park or seasonal mobile home park
6 or to sell the mobile home park or seasonal mobile home park.

7 (2) If the residents of the mobile homes in a mobile home park
8 or seasonal mobile home park have not formed either a homeowners'
9 association or a cooperative and the owner of the mobile home park
10 or seasonal mobile home park intends to sell the mobile home park
11 or seasonal mobile home park, the notification required under
12 subsection (1) must be made only once for any particular contract
13 to sell and must be by written notice mailed to each mobile home
14 resident at the address shown on the rental agreement with the
15 owner of the mobile home park or seasonal mobile home park at least
16 10 days prior to the first scheduled closing for the sale.

17 (3) If the residents of the mobile homes in a mobile home park
18 or seasonal mobile home park have formed either a homeowners'
19 association or a cooperative, not less than 30 days and not more
20 than 1 year prior to an owner of a mobile home park or seasonal
21 mobile home park either entering into a written listing agreement
22 with a licensed real estate broker for the sale of the mobile home
23 park or seasonal mobile home park or making an offer to sell the
24 mobile home park or seasonal mobile home park to any party, the
25 owner of the mobile home park or seasonal mobile home park shall
26 provide to the president, secretary, and treasurer of the
27 homeowners' association or cooperative written notice of the mobile
28 home park or seasonal mobile home park owner's intention to sell
29 the mobile home park or seasonal mobile home park. The notice must

1 be sent by first-class mail or by personal delivery.

2 (4) An owner of a mobile home park or seasonal mobile home
3 park is not required to satisfy subsection (3) unless all of the
4 following conditions are met:

5 (a) The homeowners' association or cooperative has first
6 furnished the owner of the mobile home park or seasonal mobile home
7 park with written notice of the names and addresses of the
8 president, secretary, and treasurer of the homeowners' association
9 or cooperative to whom the notice of intent to sell must be given.

10 (b) The homeowners' association or cooperative has first
11 notified the owner of the mobile home park or seasonal mobile home
12 park in writing that the residents of the mobile homes in the
13 mobile home park or seasonal mobile home park are interested in
14 purchasing the mobile home park or seasonal mobile home park. The
15 initial notice by the homeowners' association or cooperative must
16 be made prior to the written listing or the extension of an offer
17 to sell the mobile home park or seasonal mobile home park by the
18 owner of the mobile home park or seasonal mobile home park, and the
19 homeowners' association or cooperative shall give subsequent notice
20 at least once each year after the initial notice that the residents
21 of the mobile homes in the mobile home park or seasonal mobile home
22 park are interested in purchasing the mobile home park or seasonal
23 mobile home park.

24 (c) The homeowners' association or cooperative has furnished
25 the owner of the mobile home park or seasonal mobile home park with
26 a written notice, within 5 days, of any change in the names or
27 addresses of officers of the homeowners' association or cooperative
28 to whom the notice of sale is to be given.

29 (5) During the notice period required by subsection (3), the

1 owner of the mobile home park or seasonal mobile home park may
2 consider any offer to purchase the mobile home park or seasonal
3 mobile home park that has been made by the homeowners' association
4 or cooperative described in that subsection, as long as the
5 homeowners' association or cooperative is open to all of the
6 residents of the mobile homes in the mobile home park or seasonal
7 mobile home park. The owner of the mobile home park or seasonal
8 mobile home park may consider any reasonable offer made by a
9 homeowners' association or cooperative representing the residents
10 of the mobile homes in the mobile home park or seasonal mobile home
11 park and negotiate in good faith with them. If an agreement to
12 purchase the mobile home park or seasonal mobile home park is
13 reached during the notice period specified in subsection (3), the
14 homeowners' association or cooperative has a reasonable time beyond
15 the expiration of such period, if necessary, to obtain financing
16 for the purchase. A homeowners' association or cooperative may
17 assign any rights the residents of the mobile homes in the mobile
18 home park or seasonal mobile home park possess under this section
19 to the municipality or county, as applicable, in which the mobile
20 home park or seasonal mobile home park is located, a local housing
21 authority, or a local nonprofit entity specializing in the
22 provision or preservation of affordable housing.

23 (6) An owner of a mobile home park or seasonal mobile home
24 park that sells a mobile home park or seasonal mobile home park
25 pursuant to this section shall, within 30 days after the sale of
26 the mobile home park or seasonal mobile home park, notify the
27 department in writing of the sale of the mobile home park or
28 seasonal mobile home park. The written notice required under this
29 subsection must include the name and contact information of the new

1 owner of the mobile home park or seasonal mobile home park. The new
 2 owner of the mobile home park or seasonal mobile home park shall,
 3 within 30 days of the sale of the mobile home park or seasonal
 4 mobile home park, apply for a license to operate the mobile home
 5 park or seasonal mobile home park as required under this act.

6 (7) A resident of a mobile home in a mobile home park or
 7 seasonal mobile home park who alleges that an owner of a mobile
 8 home park or seasonal mobile home park failed to comply with the
 9 notice provision in this section may bring an action in a court of
 10 competent jurisdiction to recover actual damages plus reasonable
 11 attorney fees.

12 Sec. 35. (1) A person ~~who~~**that** applies for a license **to own a**
 13 **mobile home park or seasonal mobile home park or a construction**
 14 permit under this act, ~~which is for~~ other than a domestic
 15 corporation, shall file with the commission, in a form the
 16 commission prescribes, an irrevocable consent **to service of process**
 17 appointing the commission to be ~~its~~**the person's** attorney to
 18 receive service of lawful process in any noncriminal action or
 19 proceeding against ~~it or its~~**that person or that person's**
 20 successor, executor, or administrator ~~, which~~**that** arises under
 21 this act or a rule promulgated or order issued under this act after
 22 the consent **to service of process** is filed. ~~, Service of process~~
 23 **pursuant to this subsection applies** with the same force and
 24 validity as if served personally on the person filing the consent
 25 **to service of process.**

26 (2) When a person, including a nonresident of this state,
 27 engages in conduct prohibited or made actionable by this act or a
 28 rule promulgated or order issued under this act, whether or not
 29 consent to service of process was filed and personal jurisdiction

1 over ~~him or her~~ **that person** cannot otherwise be obtained in this
 2 state, **engagement in** that conduct ~~shall be prohibited or made~~
 3 **actionable by this act or a rule promulgated or order issued under**
 4 **this act is** considered equivalent to ~~his or her~~ **the person's**
 5 appointment of the commission to be ~~his or her~~ **the person's**
 6 attorney to receive service of lawful process in a noncriminal
 7 action or proceeding against ~~him or her or his or her~~ **that person**
 8 **or the person's** successor, executor, or administrator. ~~which grows~~
 9 ~~out of that conduct and which is brought under this act or a rule~~
 10 ~~promulgated or order issued under this act,~~ **Service of process**
 11 **under this subsection applies** with the same force and validity as
 12 if served on the person personally.

13 (3) Service **of process** under subsection (1) or (2) may be made
 14 by filing a copy of the process in the office of the commission
 15 together with a \$25.00 fee. The service is not effective unless ~~the~~
 16 ~~plaintiff, which may be the commission in an action or proceeding~~
 17 ~~instituted by it,~~ immediately sends notice of the service and a
 18 copy of the process **within 5 days of the receipt of the process,** by
 19 registered or certified mail to the ~~defendant or respondent at his~~
 20 ~~or her~~ last known **Michigan address of the defendant or respondent**
 21 or takes other steps ~~which that~~ are reasonably calculated to give
 22 actual notice ~~, and the plaintiff's~~ **to the defendant or respondent.**
 23 **The commission shall file an affidavit or other proof of** compliance
 24 with this section ~~is filed in the case on or before the return day~~
 25 of the process, if any, or within such further time as the court
 26 allows.

27 Sec. 43. (1) If, after notice and a hearing as provided in the
 28 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
 29 24.328, a person is determined to have violated this act, the

1 commission may impose 1 or more of the following penalties:

2 (a) Censure.

3 (b) Probation.

4 (c) License limitation.

5 (d) License suspension. The commission may request the
6 appointment of a receiver when taking action under this
7 subdivision.

8 (e) License revocation. The commission may request the
9 appointment of a receiver when taking action under this
10 subdivision.

11 (f) License denial.

12 (g) **An administrative fine of not more than \$5,000.00.**

13 (h) ~~(g)~~—A civil fine of not more than \$50,000.00.

14 (i) ~~(h)~~—Restitution.

15 (2) **If the department determines that a mobile home park**
16 **located in this state is owned by a person that does not have a**
17 **license issued by the department to own that mobile home park, the**
18 **department shall provide written notice to the unlicensed owner of**
19 **the mobile home park. The department shall forward a copy of the**
20 **written notice provided to an unlicensed owner of a mobile home**
21 **park under this subsection to the clerk of the city, village, or**
22 **township where the mobile home park is located. The written notice**
23 **provided under this subsection must require the unlicensed owner of**
24 **the mobile home park to apply to the department for licensure**
25 **within 30 days of the date of the notice. If the unlicensed owner**
26 **of the mobile home park does not apply for licensure within the 30-**
27 **day period provided under this subsection, the department shall**
28 **commence proceedings to impose a fine on the unlicensed owner of**
29 **the mobile home park. If the department determines that a person**

1 owned or owns a mobile home park or seasonal mobile home park
2 without a license as required under section 16, the department
3 shall impose a fine of not more than \$100,000.00 after notice and a
4 hearing as provided under the administrative procedures act of
5 1969, 1969 PA 306, MCL 24.201 to 24.328. The department shall
6 advise the attorney general of the failure of any person to pay any
7 fine imposed under this section. The attorney general may bring a
8 civil action in a court of competent jurisdiction to recover the
9 fine.

10 (3) ~~(2)~~—A fine imposed under subsection (1) may be collected
11 by the imposition of a judgment lien by a court or by obtaining a
12 writ of garnishment against the person who has been determined to
13 have violated this act. A writ of garnishment under this section
14 must be issued by a court of competent jurisdiction and directed to
15 this state or the state treasurer to satisfy the fine. To obtain a
16 writ of garnishment under this subsection, the department must
17 comply with the requirements of chapter 40 of the revised
18 judicature act of 1961, 1961 PA 236, MCL 600.4001 to 600.4065. A
19 fine collected under this section shall be deposited with the state
20 treasurer and credited to the mobile home code fund created in
21 section 9.

22 (4) The department may not issue a license until the fees and
23 any administrative fines previously assessed against the applicant
24 and any person that holds a beneficial interest in the applicant's
25 mobile home park or seasonal mobile home park by the department or
26 commission that remain unpaid at the time of the license
27 application, if applicable, are paid as provided under section
28 16(2)(c). The department shall advise the attorney general of the
29 failure of any person to pay the fees or fines imposed pursuant to

1 **section 16. The attorney general may bring a civil action in a**
 2 **court of competent jurisdiction to recover the fees or fines.**

3 (5) ~~(3)~~ If the department determines that the owner or
 4 operator of a mobile home park or seasonal mobile home park has
 5 violated this act or rules promulgated under this act by failing to
 6 maintain or repair any infrastructure or facilities of the mobile
 7 home park or seasonal mobile home park, the department shall give
 8 notice of the determination by personal service or first-class mail
 9 to the local governments where the mobile home park is located ~~τ~~
 10 **and the owner, ~~the operator,~~ of the mobile home park or seasonal**
 11 **mobile home park** and, if financial assurance in the form of a bond
 12 has been posted under ~~rules promulgated under section 16(2),~~
 13 **section 7(8),** the surety executing the bond. If the owner ~~τ~~
 14 ~~operator,~~ **of the mobile home park or seasonal mobile home park** or
 15 surety does not perform or commence the specified maintenance or
 16 repair within 60 days after service of the notice, the department
 17 or its authorized representative may enter the mobile home park or
 18 seasonal mobile home park and perform the specified maintenance or
 19 repair. At the request of the owner ~~τ~~ ~~operator,~~ **of the mobile home**
 20 **park or seasonal mobile home park** or surety, the department may
 21 grant an extension of up to an additional 90 days. The owner ~~τ~~
 22 ~~operator,~~ **of the mobile home park or seasonal mobile home park** and
 23 any surety are jointly and severally liable for all expenses
 24 incurred by the department or its authorized representative in
 25 performing the specified maintenance or repair. The department
 26 shall certify the claim to the owner ~~τ~~ ~~operator,~~ **of the mobile home**
 27 **park or seasonal mobile home park** and any surety, listing in the
 28 claim the items of expense in performing the maintenance or repair,
 29 and shall draw on any financial assurance for the payment of the

1 claim. The department shall notify the local government where the
 2 mobile home park is located when the specified maintenance or
 3 repair has been completed.

4 (6) ~~(4)~~—This section does not prohibit actions from being
 5 taken under other sections of this act.

6 (7) ~~(5)~~—The pursuit in court of the lawful rights of a
 7 licensee does not constitute a violation of this act, regardless of
 8 the outcome of the court action.

9 Sec. 48. (1) If the department orders the owner ~~or operator~~ of
 10 a mobile home park or seasonal mobile home park to correct a
 11 violation of this act or rules promulgated under this act that
 12 imminently threatens the health or safety of the residents of the
 13 **mobile home park or seasonal mobile home** park or the public and the
 14 owner ~~or operator~~ fails to comply with the order, the department or
 15 the local government may bring an action to enforce the applicable
 16 regulations and to abate or enjoin the violation.

17 (2) If the violation is not corrected and imminently threatens
 18 the health or safety of the residents of the mobile home park or
 19 seasonal mobile home park or the public, the department or the
 20 local government may file a motion for a preliminary injunction or
 21 other temporary relief appropriate to remove the threat while the
 22 action is pending.

23 (3) The department or the local government shall serve a copy
 24 of the complaint and a summons on each owner and lienholder of
 25 record ~~, and any operator,~~ of the mobile home park or seasonal
 26 mobile home park that can be identified by the department or the
 27 local government with the exercise of reasonable diligence. The
 28 local government shall also file a notice of the action with the
 29 register of deeds for the county where the **mobile home park or**

1 **seasonal mobile home** park is located.

2 (4) The court shall make orders and determinations consistent
3 with the objectives of this act. The court may enjoin the
4 maintenance of an unsafe, unhealthy, or unsanitary condition, or a
5 violation of the applicable regulations, and may order the
6 defendant to perform maintenance and repairs or make other
7 corrections including removal of a building or structure necessary
8 to abate the condition. The court may authorize the department or
9 the local government to perform maintenance or repairs or to remove
10 a building or structure owned or operated by the owner ~~or operator~~
11 of the mobile home park or seasonal mobile home park. However, the
12 court shall not authorize removal of a building or structure unless
13 the cost of repair of the building or structure will be greater
14 than the state equalized value of the building or structure.

15 (5) If the expense of maintenance, repair, or removal is not
16 ~~provided for by financial assurance under section 16(2)(b) or~~
17 otherwise provided for, the court may enter an order approving the
18 expense and place a lien on the real property for the payment of
19 the expense. The order may establish the lien as a senior lien,
20 except as to tax and assessment liens, and except as to a mortgage
21 of first priority recorded prior to all other liens of record. The
22 order may also specify the time and manner for foreclosure of the
23 lien if the lien is not satisfied. To perfect the lien, a copy of
24 the order ~~shall~~**must** be filed with the register of deeds for the
25 county where the mobile home park or seasonal mobile home park is
26 located within 10 days after entry of the order.

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

1 (a) Senate Bill No. 486.

2

3 (b) Senate Bill No. 490.

4

5 (c) Senate Bill No. 487.

6

7 (d) Senate Bill No. 488.