

SENATE BILL No. 435

DIGEST OF INTRODUCED BILL

Citations Affected: IC 32-7.5.

Synopsis: Manufactured home owners' bill of rights. Provides that all leases for the rental of space in a manufactured home park must be in writing and for a term of at least five years. Requires that a rental agreement must be written in easily understood language and must disclose all fees and charges. Requires residents of manufactured home parks to be given at least 30 days notice of: (1) proposed increases in rent and other fees; (2) eviction; and (3) proposed new rules or changes in existing park rules. Prohibits the manufactured home park operator from placing certain restrictions on the sale and placement of manufactured homes within the park. Prohibits the manufactured home park operator from restricting the organization of resident associations.
(Continued next page)

Effective: July 1, 1998.

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January 13, 1998, read first time and referred to Committee on Commerce and Consumer Affairs.

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Digest Continued

Requires notice of, and permits resident participation in, the formulation of rules for a manufactured home park owner who wishes to sell the park to give a resident association the right to make the first offer for the park. Requires the attorney general to enforce the rights of manufactured home owners.

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Introduced

Second Regular Session 110th General Assembly (1998)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1997 General Assembly.

SENATE BILL No. 435

A BILL FOR AN ACT to amend the Indiana Code concerning property.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 32-7.5 IS ADDED TO THE INDIANA CODE AS
2 A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,
3 1998]:
4 ARTICLE 7.5. MANUFACTURED HOUSING PARKS
5 Chapter 1. Definitions
6 Sec. 1. The definitions in this chapter apply throughout this
7 article.
8 Sec. 2. (a) "Manufactured home" means a residential
9 structure, transportable in one (1) or more sections, that is:
10 (1) at least eight (8) body feet in width, and at least
11 thirty-two (32) body feet in length;
12 (2) built on an integral chassis; and
13 (3) designed to be used as a dwelling when connected to the
14 required utilities.
15 The term includes the plumbing, heating, air conditioning, and

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1 electrical systems contained in a manufactured home.

2 (b) The term does not include the following:

3 (1) Travel trailers.

4 (2) Camping trailers.

5 (3) Truck campers.

6 (4) Motor homes that are primarily designed as temporary
7 living quarters for recreational camping or travel use and
8 that:

9 (A) have their own motor power; or

10 (B) are drawn by another vehicle.

11 Sec. 3. "Park" means a use of land in which:

12 (1) at least four (4) lots or spaces are offered for rent or lease
13 for the placement of manufactured homes; and

14 (2) the primary use of the park or manufactured home
15 section of the park is residential.

16 Sec. 4. "Park operator" means an owner or a manager of a
17 park, including park employees and the subsequent purchaser of
18 a park.

19 Sec. 5. "Rental agreement" means an agreement between a
20 park operator and a resident establishing the terms and conditions
21 under which a manufactured home is placed on a rented or leased
22 lot in a park. The term includes a lease.

23 Sec. 6. "Resident" means an individual who has a tenancy in
24 a park under a rental agreement.

25 Sec. 7. "Resident association" means an organization of
26 residents representing a majority of the residents of a park that is
27 organized for the purpose of resolving matters relating to living
28 conditions in the park.

29 **Chapter 2. Operation of Manufactured Home Parks**

30 Sec. 1. A rental agreement must:

31 (1) be in writing; and

32 (2) have a term of at least five (5) years.

33 A longer term may be mutually agreed upon by the resident and
34 park operator.

35 Sec. 2. A rental agreement must fully disclose, in easily
36 understood language, all payments that will be required from the
37 resident, including:

38 (1) rent;

39 (2) fees;

40 (3) assessments; and

41 (4) any other charges.

42 Sec. 3. (a) Before a park operator may increase rent, a fee, an

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1 assessment, or another charge, the park operator must give all
2 residents who will be affected by the increase at least thirty (30)
3 days notice of the increase.

4 (b) An increase in rent, a fee, an assessment, or another charge
5 must be reasonable. The following factors shall be used to
6 determine if an increase is reasonable:

7 (1) The actual amount of change in the cost of operating the
8 park, including increases in costs for taxes, utilities, and
9 services provided by the park.

10 (2) The amount necessary to provide a reasonable profit for
11 the park operator.

12 Sec. 4. (a) A resident may be evicted by a park operator only
13 for good cause, including the following reasons:

14 (1) Failure to pay rent or other charges.

15 (2) Causing substantial damage to the park.

16 (3) Violation of a park rule, if the resident:

17 (A) knows of the rule;

18 (B) has been warned of the violation; and

19 (C) continues to violate the rule.

20 (b) A park operator shall give a resident at least thirty (30)
21 days notice before evicting the resident.

22 Sec. 5. A park operator may not:

23 (1) place restrictions upon the sale of manufactured homes
24 by the residents;

25 (2) require a resident or potential resident to purchase a
26 manufactured home from a specific manufacturer; or

27 (3) restrict the locations in which a used manufactured home
28 is placed, unless the park operator demonstrates good cause
29 for the restriction.

30 Sec. 6. (a) A park operator may not restrict the right of
31 residents to organize a resident association.

32 (b) Membership in a resident association may not be a reason
33 for evicting or otherwise taking action against a resident.

34 Sec. 7. (a) If a resident association exists in a park, the resident
35 association shall be allowed to participate in formulating park
36 rules.

37 (b) Notice of proposed:

38 (1) new park rules; and

39 (2) changes to existing park rules;

40 must be prominently posted in the park at least thirty (30) days
41 before the proposed new rules or changes are to take effect.
42 Residents may submit comments to the park operator concerning

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1 proposed new rules or changes during the thirty (30) day period.
 2 **Sec. 8. If the owner of a park intends to sell the park, the**
 3 **owner shall give a resident association in the park the right to**
 4 **purchase the park before offering the park for sale to others. The**
 5 **owner shall give the resident association at least ninety (90) days**
 6 **to make an offer for the park before offering the park for sale to**
 7 **others.**
 8 **Sec. 9. The office of the attorney general shall enforce this**
 9 **chapter.**
 10 **SECTION 2. [EFFECTIVE JULY 1, 1998] IC 32-7.5-2-1, as**
 11 **added by this act, applies to a lease or other contract for the use of**
 12 **a lot in a manufactured home park executed after June 30, 1998.**

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