

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3266-05
Bill No.: Perfected SS for SCS for SB's 843 & 658
Subject: Manufactured Housing: Landlords and Tenants
Type: Original
Date: March 20, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Economic Development - Public Service Commission** indicated that the proposal would not affect their agency.

Officials of the **Department of Revenue** stated that they would carry out new duties under terms of this proposal with existing resources.

Officials of the **Secretary of State (SOS)** stated that this proposal would allow the Department of Revenue to assign liens against abandoned manufactured homes to help lot owners recover unpaid rents. It would also require the Department to notify title applicants that the Public Service Commission does not regulate manufactured homes. The Department of Revenue would promulgate rules to implement the proposal. Based on experience with other divisions, the rules, regulations and forms issued by the Department of Revenue could require as many as 16 pages in the *Code of State Regulations*. For any given rule, roughly half again as many pages are published in *Missouri Register* as in the *Code* because cost estimates and fiscal notes are not repeated in the *Code*. The estimated cost of a page in the *Missouri Register* is \$23. The estimated cost of a page in the *Code of State Regulations* is \$27. The estimated cost of publication in FY 2003 for this proposal is \$984. Actual cost could be more or less and costs in future years would depend upon frequency and length of rules filed, amended, rescinded or withdrawn.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
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	\$0	\$0	\$0
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<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
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	\$0	\$0	\$0
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FISCAL IMPACT - Small Business

This proposal would affect small businesses which are manufactured housing dealers. Those dealers would be required to provide written notices signed by purchasers of used manufactured homes.

DESCRIPTION

This proposal would require mobile home park landlords to provide tenants who own their homes 120 days notice when requiring the tenants to move due to a change in use. During the 120 period, the landlord could not increase rents except for increases based upon increased property taxes.

Manufactured home dealers or manufacturers could have licenses suspended or revoked for failing to provide notice to purchasers of used manufactured homes that the Public Service Commission does not regulate setup of used manufactured homes.

This proposal would give a landowner a lien against an abandoned manufactured home for unpaid rent and specify procedures for enforcing that lien. A perfected lienholder would not be entitled to a certificate of title from the Department of Revenue until the lienholder has paid all rent it is obligated to pay under terms of this proposal.

The proposal would establish procedures for owners of manufactured homes to obtain, from the Director of Revenue, certificates of ownership in beneficiary form.

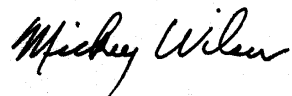
The proposal sets out provisions for electronic notices of lien and electronic notices of satisfactions and releases of liens on manufactured homes.

The proposal also sets out processes and procedures for landowners to get certificates of title on manufactured homes on which they have liens. These procedures allow owners of manufactured homes chances to challenge liens in court and to redeem homes subject to liens.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space. This legislation would not affect Total State Revenue.

SOURCES OF INFORMATION

Department of Economic Development - Public Service Commission
Department of Revenue



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Acting Director
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