

STORAGE NAME: h0623.ca

DATE: March 25, 1999

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
COMMUNITY AFFAIRS
ANALYSIS**

BILL #: HB 623

RELATING TO: Factory-built Housing Safety

SPONSOR(S): Representative Posey and others

COMPANION BILL(S): HB 63 (c), CS/SB 1026 (s)

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) COMMUNITY AFFAIRS
 - (2) TRANSPORTATION
 - (3) GOVERNMENTAL OPERATIONS
 - (4) TRANSPORTATION & ECONOMIC DEVELOPMENT APPROPRIATIONS
 - (5)
-

I. SUMMARY:

This bill transfers duties and responsibilities related to the construction and installation of mobile homes from the Bureau of Mobile Home and Recreational Vehicle Construction within the Department of Highway Safety and Motor Vehicles (DHSMV) to the Department of Community Affairs (DCA). DCA will organize the transferred responsibilities under a newly created Division of Factory-built Housing.

The bill provides for tie-down requirements, installation standards, injunctions, and penalties with respect to mobile homes and park trailers.

According to the DHSMV, the bill has a positive revenue impact on the DHSMV.

II. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

PROPOSAL TO CONSOLIDATE PROGRAMS

The Department of Highway Safety and Motor Vehicles (DHSMV) regulates Florida's mobile homes within its Bureau of Mobile Home and Recreational Vehicle Construction. Chapter 320, Florida Statutes, relates to motor vehicle licenses and includes requirements for the construction, sale, and installation of mobile homes.

A 1996 report by the House Committee on Transportation examined the current state of mobile home regulation as an outcome of the House State Government Function/Activity Review Interim Project. The report acknowledged that over the years, mobile homes have evolved from a "motor vehicle" into a more permanent residential structure evidenced by provisions such as s. 193.075, Florida Statutes. This section provides that "a mobile home shall be considered permanently affixed if it is tied down and connected to the normal and usual utilities." The report also recognized the distinction between the missions of DHSMV and the Department of Community Affairs (DCA). While the DHSMV is the agency that regulates "moving" vehicles, the DCA oversees permanent structures such as fabricated commercial buildings (manufactured housing) and single-family dwellings.

Part IV of chapter 553, Florida Statutes, is the Florida Manufactured Building Act of 1979. Manufactured buildings are distinct from mobile homes. The DCA is responsible for enforcing the act, assuring that each manufactured building is structurally sound and properly installed on site and that the various systems in the building are reasonably safe. The Codes and Standards Section of the Division of Housing and Community Development at DCA, administers this act. The department contracts with private individuals to inspect manufactured buildings. Four staff positions within DCA monitor these inspectors.

As a result, the report considered the feasibility of consolidating the Bureau of Mobile Home and Recreational Vehicle Construction services component with the DCA manufactured building program (which currently excludes mobile homes from its regulatory powers). Based on the report, the intent in consolidating is to reduce program duplication and costs.

GENERAL FEDERAL AND STATE BACKGROUND ON MOBILE HOMES

The Federal Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C., 600 et seq.) established federal construction and safety standards for manufactured homes. The Department of Housing and Urban Development (HUD) was directed to develop a federal standard building code for mobile homes. These standards supersede any standards regarding mobile home construction or safety. Thus, mobile homes are exempt from state or local regulation and are governed by the federal act and the corresponding rules promulgated by HUD.

Florida entered into two contracts with HUD in 1976 to carry out the enforcement of the federal program. The Bureau of Mobile Home and Recreational Vehicle Construction within the DHSMV has since administered the contracts. The bureau is the "State Administrative Agency" for monitoring all manufactured housing produced or installed in Florida. The bureau inspects manufacturer facilities and dealer lots for compliance with the federal code; investigates and resolves consumer complaints against manufacturers and dealers; monitors retail lots; approves alterations made by retailers; and monitors the installation of mobile homes.

Florida is one of 36 states that perform these functions. Ten of those 36 states also perform as an in-plant primary inspection agency (IPIA) under a second contract. Florida is one of these states. According to the IPIA contract, the DHSMV must certify that a manufacturer is following approved quality control procedures and provide on-going in-plant inspection of the manufacturing process for conformance with the federal code standards. If the manufacturer complies, it is issued a label for each of the mobile homes manufactured in Florida.

According to the Office of Program Policy and Government Accountability (OPPAGA), Florida is one of the top three states receiving the largest number of manufactured homes. Florida is ranked seventh in the nation in highest production. During Fiscal Year 1997-98, the program registered 168,466 mobile homes and inspected 20,649 mobile homes at manufacturing plants. The program

issued 4,223 manufacturer non-compliance notices. Currently, Florida licenses 364 manufactured home installers.

B. EFFECT OF PROPOSED CHANGES:

This bill transfers all responsibilities relating to the regulation and administration of mobile home manufacturers, dealers, and brokers from the Bureau of Mobile Home and Recreational Vehicle Construction within the DHSMV to the newly-created Division of Factory-built Housing (Division) within DCA.

Various provisions of chapter 320, Florida Statutes, relating to the regulation and administration of mobile home manufacturers, dealers, and brokers are transferred to or duplicated, as they relate to mobile homes, in part IV of chapter 553, Florida Statutes. Related provisions in chapter 320, Florida Statutes, are amended to delete references to mobile homes. Various other provisions are amended to replace statutory references effectuated by this bill. (See SECTION-by-SECTION for details).

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

Yes. The bill specifies that the DCA, **through the Division of Factory-built Housing**, is responsible for rule promulgation of the Florida Manufactured Building Act, as amended by this bill.

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

The DCA must establish a Division of Factory-built Housing to regulate the construction, sale, and installation of mobile homes. The DHSMV must transfer its Bureau of Mobile Home and Recreational Vehicle Construction to the DCA.

(3) any entitlement to a government service or benefit?

Mobile home owners with claims against mobile home dealers are entitled to compensation when certain conditions are met.

b. If an agency or program is eliminated or reduced:

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

(2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

- a. Does the bill increase anyone's taxes?

N/A

- b. Does the bill require or authorize an increase in any fees?

N/A

- c. Does the bill reduce total taxes, both rates and revenues?

N/A

- d. Does the bill reduce total fees, both rates and revenues?

N/A

- e. Does the bill authorize any fee or tax increase by any local government?

N/A

3. Personal Responsibility:

- a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

N/A

- b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

N/A

4. Individual Freedom:

- a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

N/A

- b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

N/A

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:

- (1) Who evaluates the family's needs?

N/A

- (2) Who makes the decisions?

N/A

(3) Are private alternatives permitted?

N/A

(4) Are families required to participate in a program?

N/A

(5) Are families penalized for not participating in a program?

N/A

b. Does the bill directly affect the legal rights and obligations between family members?

N/A

c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

(1) parents and guardians?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

N/A

D. STATUTE(S) AFFECTED:

Chapters 20, 161, 316, 319, 320, 325, 553, and 627, Florida Statutes.

E. SECTION-BY-SECTION ANALYSIS:

Section 1: Amends s. 20.18, Florida Statutes, 1998 Supplement, to establish the Division of Factory-built Housing in DCA. The Division will be responsible for ensuring that there is adequate affordable housing in this state through the use of factory-built homes and for the installation of mobile homes, park trailers, and manufactured buildings.

Section 2: Transfers personnel, property, functions, and the responsibility for administering part IV of chapter 553, Florida Statutes, from the Codes and Standards Section of the Division of Housing and Community Development at DCA to the proposed Division of Factory-built Housing.

Section 3: Provides for the transfer of all responsibilities relating to the regulation and administration of mobile homes from the Bureau of Mobile Home and Recreational Vehicle Construction at DHSMV to the newly created Division of Factory-built Housing within DCA.

Section 4: Provides for the transfer of the mobile home portions of the Mobile Home and Recreational Vehicle Protection Trust Fund and the Operating Trust Fund of DHSMV into DCA's operating trust fund to be administered by the Division of Factory-built Housing.

Section 5: Amends s. 320.781, Florida Statutes, to rename the Mobile Home and Recreational Vehicle Protection Trust Fund as the Recreational Vehicle Protection Trust Fund, and deletes relevant references to mobile homes, thereby reflecting the transfer of mobile home related funds and responsibilities to the Division of Factory-built Housing in DCA.

Section 6: Amends s. 553.36, Florida Statutes, to define “division” as the Division of Factory-built Housing in DCA.

Section 7: Amends s. 553.38, Florida Statutes, to specify that DCA, through the Division of Factory-built Housing, is responsible for rule promulgation and enforcement of the Florida Manufactured Building Act.

Section 8: Creates s. 553.431, to provide for licensing of nonresident mobile home dealers. This provision duplicates s. 320.71, Florida Statutes, as it relates to mobile home dealers. However, license proceeds are to be deposited in DCA’s Operating Trust Fund rather than the General Revenue Fund of the State, as is required under current law. **Section 44** of this bill amends s. 320.71, Florida Statutes, to remove references to mobile homes.

Section 9: Creates s. 553.4315, to regulate nonresident dealers in secondhand mobile homes. This provision duplicates s. 320.28, Florida Statutes, as it relates to mobile home dealers. **Section 43** of this bill amends s. 320.28, Florida Statutes, to remove references to mobile homes.

Section 10: Transfers and renumbers s. 320.77, Florida Statutes, as s. 553.432, Florida Statutes, to provide procedures for licensing mobile home dealers. References to the DHSMV are replaced with references to the Division. A statutory reference is replaced with the appropriate statutory reference effectuated by **section 12** of this bill. A statutory reference to chapter 319, F.S., which addresses title certificates, is deleted. The authority for licensed mobile home dealers to transact business in recreational vehicles is deleted. The requirement that persons transacting business in both mobile homes and recreational vehicles provide the same surety bond required of mobile home dealers is deleted. In addition, license fees are to be deposited in the General Revenue Fund of the State, as is required under current law.

Section 11: Creates s. 553.433, to provide a system for compensating persons with uncompensated judgements or claims against a mobile home dealer or broker. This provision substantially duplicates s. 320.781, Florida Statutes, as it relates to mobile homes. **Section 5** of this bill amends s. 320.781, Florida Statutes, to delete relevant references to mobile homes.

Section 12: Creates s. 553.434, to provide definitions for ss. 553.434 - 553.458, Florida Statutes. This provision duplicates the definitions provided in s. 320.822, Florida Statutes, as they relate to mobile homes, and includes a definition of “division,” which is the newly created Division of Factory-built Housing of DCA. **Section 45** of this bill amends s. 320.822, Florida Statutes, to remove definitions and references to mobile homes.

Section 13: Creates s. 553.435, to provide for licensing mobile home manufacturers. This provision duplicates s. 320.8225, Florida Statutes, as it relates to mobile home manufacturers. However, license proceeds are to be deposited in the General Revenue Fund of the State, as is required under current law. **Section 46** of this bill amends s. 320.8225, Florida Statutes, to remove references to mobile homes.

Section 14: Transfers and renumbers s. 320.823, Florida Statutes, as s. 553.436, Florida Statutes. This provision requires mobile homes manufactured or sold in this state to meet the Federal Mobile Home Construction and Safety Standards promulgated by HUD.

Section 15: Creates s. 553.4365, to establishment uniform standards for park trailers. This provision duplicates s. 320.8231, Florida Statutes, as it relates to park trailers. **Section 47** of this bill amends s. 320.8231, Florida Statutes, to remove references to park trailers.

Section 16: Creates s. 553.437, to provide the Division authority to adopt rules. This provision duplicates s. 320.824, Florida Statutes, as it relates to mobile homes. **Section 49** of this bill amends s. 320.824, Florida Statutes, 1998 Supplement, to remove references to mobile homes.

Section 17: Creates s. 553.438, to limit the alteration or modification to mobile homes. This provision duplicates s. 320.8245, Florida Statutes, as it relates to mobile homes. **Section 50** of this bill amends s. 320.8245, Florida Statutes, to include references to recreational vehicles and to remove references to mobile homes.

Section 18: Transfers and renumbers s. 320.8249, Florida Statutes, as s. 553.439, Florida Statutes. This provision provides procedures for licensing mobile home installers. References to DHSMV are replaced with references to the Division. However, licensed mobile home dealers and manufacturers performing mobile home installation will no longer be exempt from requirements to obtain a license as a mobile home installer. A statutory reference is replaced with the appropriate statutory reference effectuated by section 12 of this bill. In addition, new subsection (15) is created to provide that local governments may require only one building permit or other applicable fees for improvements to mobile homes in a mobile home park when the improvements are made using state-appropriated funds to improve the wind resistance of their property. Finally, obsolete language is deleted.

Section 19: Transfers and renumbers s. 320.8255, Florida Statutes, as s. 553.440, Florida Statutes, which provides for mobile home inspections. References to DHSMV are replaced with references to the Division. A statutory reference is replaced with the appropriate statutory reference effectuated by section 20 of this bill. Fee proceeds are to be deposited in the General Revenue Fund of the State, as is required under current law.

Section 20: Transfers and renumbers s. 320.827, Florida Statutes, as s. 553.441, Florida Statutes. This section provides for mobile home labels and certifications on new mobile homes. References to DHSMV are replaced with references to the Division and obsolete language is deleted.

Section 21: Transfers and renumbers s. 320.8285, Florida Statutes, as s. 553.442, Florida Statutes. This section provides for onsite inspections of mobile homes. References to DHSMV are replaced with references to the Division. A statutory reference is replaced with the appropriate statutory reference effectuated by section 14 of this bill.

Section 22: Transfers and renumbers s. 320.830, Florida Statutes, as s. 553.443, Florida Statutes. This section provides for reciprocity with other states. References to DHSMV are replaced with references to the Division.

Section 23: Transfers and renumbers s. 320.831, Florida Statutes, as s. 553.444, Florida Statutes. This section provides penalties for noncompliance with construction and safety standards. Statutory references are replaced with appropriate statutory references effectuated by this bill.

Section 24: Transfers and renumbers s. 320.8325, Florida Statutes, as s. 553.445, Florida Statutes. This section addresses mobile home tie-downs and installation standards. References to DHSMV are replaced with references to the Division. This section is amended to require uniform standards, as opposed to minimum standards, for the manufacture and installation of "manufactured housing installation systems," which specifically include buckles, straps, stabilizer plates, and piers as well as anchors, which is addressed in current law. Only DCA is authorized to amend these uniform installation standards. Such systems must ensure that the house "remains secured to the ground when subjected to winds equal to or less than their HUD code design criteria...." Division rules must be "reasonably related" to the age and windzone of the house. The Division is also charged with developing standards for installation and anchoring systems for park trailers. Fees and civil penalties collected pursuant to s. 553.439, Florida Statutes, (section 18 of this bill) deposited in DCA's operating trust fund are to be used for testing of manufactured housing installation systems to ensure such housing meets the wind design criteria adopted by the division.

Section 25: Creates s. 553.446, to provide for the retention, destruction, and reproduction of records. This provision duplicates s. 320.833, Florida Statutes, as it relates to mobile homes.

Section 26: Transfers and renumbers s. 320.8335, Florida Statutes, as s. 553.447, Florida Statutes. This section provides for the disclosure of the manner used in determining the length of mobile homes.

Section 27: Creates s. 553.448, to express the intent of the Legislature and purpose of a mobile home inspection program. This provision duplicates s. 320.834, Florida Statutes. **Section 52** of this bill amends s. 320.834, Florida Statutes, to remove references to mobile homes.

Section 28: Creates s. 553.449, to specify mobile home manufacturer, dealer, and supplier warranty responsibilities. This provision duplicates s. 320.835, Florida Statutes, as it relates to mobile homes. **Section 53** of this bill amends s. 320.835, Florida Statutes, to remove references to mobile homes.

Section 29: Creates s. 553.450, to provide procedures for presenting warranty claims. This provision duplicates s. 320.836, Florida Statutes.

Section 30: Creates s. 553.451, to address warranty service. This provision duplicates s. 320.837, Florida Statutes, with statutory references replaced with appropriate statutory references effectuated by **section 28** of this bill.

Section 31: Creates s. 553.452, to address civil actions brought by buyers to resolve a warranty claim. This provision duplicates s. 320.838, Florida Statutes.

Section 32: Creates s. 553.453, to address cumulative remedies in suits brought by buyers of mobile homes. This provision duplicates s. 320.839, Florida Statutes.

Section 33: Transfers and renumbers s. 320.840, as s. 553.454, Florida Statutes. This section allows mobile home retailers to retain damages according to specified terms.

Section 34: Creates s. 553.455, to authorize the Division to inspect and subpoena licensee records relating to complaints against the licensee. This provision duplicates s. 320.861, Florida Statutes, with references to the DHSMV replaced with references to the Division.

Section 35: Creates s. 553.456, to provide for the revocation of a mobile home manufacturer, dealer, or installer license. This provision duplicates s. 320.862, Florida Statutes.

Section 36: Creates s. 553.457, to provide for the maintenance of records. This provision duplicates s. 320.865, Florida Statutes, with references to the DHSMV replaced with references to the Division. Statutory references are replaced with appropriate statutory references effectuated by **section 13** of this bill.

Section 37: Creates s. 553.458, to provide for electronic or telephonic transactions. This provision duplicates s. 320.95, Florida Statutes, with references to the DHSMV replaced with references to the Division.

Section 38: Amends s. 161.55, Florida Statutes, to replace a statutory reference effectuated by **Section 14** of this bill.

Section 39: Amends s. 316.515, Florida Statutes, to replace a statutory reference effectuated by **Section 6** of this bill.

Section 40: Amends s. 319.001, Florida Statutes, to replace a statutory reference effectuated by **Section 10** of this bill.

Section 41: Amends s. 320.131, Florida Statutes, to replace a statutory reference effectuated by **Section 10** of this bill.

Section 42: Amends s. 320.27, Florida Statutes, to remove a statutory reference made obsolete by **Section 10** of this bill.

Section 43: Amends s. 320.28, Florida Statutes, which addresses nonresident dealers in second-hand motor vehicles, recreational vehicles, or mobile homes, to remove references to mobile homes. This reflects the transfer of mobile home related responsibilities to the Division of Factory-built Housing in DCA. This provision was duplicated, as it relates to mobile homes, by section 9 of this bill.

Section 44: Amends s. 320.71, Florida Statutes, which addresses nonresident dealers motor vehicle, recreational vehicle, or mobile home dealer licenses, to remove references to mobile homes. This reflects the transfer of mobile home related responsibilities to the Division of Factory-built Housing in DCA. This provision was duplicated, as it relates to mobile homes, by **section 8** of this bill.

Section 45: Amends s. 320.822, Florida Statutes, which addresses definitions, to remove definitions and references to mobile homes. This reflects the transfer of mobile home related responsibilities to

the Division of Factory-built Housing in DCA. This provision was duplicated, as it relates to mobile homes, by **section 12** of this bill.

Section 46: Amends s. 320.8225, Florida Statutes, which addresses mobile home and recreational vehicle manufacturers licences, to remove references to mobile homes. This reflects the transfer of mobile home related responsibilities to the Division of Factory-built Housing in DCA. This provision was duplicated, as it relates to mobile homes, by **section 13** of this bill.

Section 47: Amends s. 320.8231, Florida Statutes, which addresses uniform standards for recreational vehicle-type units and park trailers, to remove references to park trailers. This reflects the transfer of mobile home related responsibilities to the Division of Factory-built Housing in DCA. This provision was duplicated, as it relates to park trailer, by **section 15** of this bill.

Section 48: Amends s. 320.8232, Florida Statutes, which addresses uniform standards for used recreational vehicles and the repair and remodeling code for mobile homes, to remove references to the mobile home repair and remodeling code. Proponents of this bill state that this provision is obsolete and is addressed in **section 17** of this bill.

Section 49: Amends s. 320.824, Florida Statutes, 1998 Supplement, relating to changes and modifications of standards, to remove references to mobile homes and HUD building standards. This reflects the transfer of mobile home related responsibilities to the Division of Factory-built Housing in DCA. This provision was duplicated, as it relates to mobile homes, by **section 16** of this bill.

Section 50: Amends s. 320.8245, Florida Statutes, which limits the alteration or modification of mobile homes or recreational vehicles, to include references to recreational vehicles and to remove references to mobile homes. This reflects the transfer of mobile home related responsibilities to the Division of Factory-built Housing in DCA. This provision was duplicated, as it relates to mobile homes, by **section 17** of this bill.

Section 51: Amends s. 320.8256, Florida Statutes, which addresses recreational vehicle inspections, to remove fee authorization to cover the cost of producing and issuing the mobile home seal.

Section 52: Amends s. 320.834, Florida Statutes, which establishes legislative purpose, to remove references to mobile homes. This reflects the transfer of mobile home related responsibilities to the Division of Factory-built Housing in DCA. This provision was duplicated, as it relates to mobile homes, by **section 27** of this bill.

Section 53: Amends s. 320.835, Florida Statutes, which addresses mobile home and recreational vehicle warranties, to remove references to mobile homes.

Section 54: Amends s. 320.865, Florida Statutes, which addresses the maintenance of records by DHSMV, to remove references to statutory cites relating to mobile homes, which reference will be made obsolete by section 10 of this bill. This provision was duplicated, as it relates to mobile homes, by **section 36** of this bill.

Section 55: Amends s. 325.202, Florida Statutes, which provides definition for chapter 325, Florida Statutes, to replace a statutory reference relating to licensing of mobile home dealers, which reference will be changed by **section 10** of this bill.

Section 56: Amends s. 325.203, Florida Statutes, which addresses annual inspections of motor vehicles, to replace a statutory reference relating to licensing of mobile home dealers, which reference will be changed by **section 10** of this bill.

Section 57: Amends s. 325.213, Florida Statutes, which addresses self-inspector licenses, to remove general references to mobile home dealers and statutory references relating to licensing of mobile home dealers, which references will be made obsolete by **section 10** of this bill.

Section 58: Amends s. 627.351, Florida Statutes, 1998 Supplement, which addresses windstorm insurance risk apportionment, to replace a reference to the DHSMV with the Division, and to replace

a statutory reference relating to mobile home tie-down and installation standards, which reference will be changed by **sections 2 and 24**, respectively, of this bill.

Section 59: Amends s. 627.702, Florida Statutes, which addresses valued policy law, to replace a statutory reference that will be changed by **section 6** of this bill.

Section 60: Provides that this bill will take effect January 1, 2000.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT: (See **FISCAL COMMENTS**)

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

N/A

2. Recurring Effects:

N/A

3. Long Run Effects Other Than Normal Growth:

N/A

4. Total Revenues and Expenditures:

N/A

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

N/A

2. Recurring Effects:

N/A

3. Long Run Effects Other Than Normal Growth:

N/A

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

N/A

2. Direct Private Sector Benefits:

N/A

3. Effects on Competition, Private Enterprise and Employment Markets:

N/A

D. FISCAL COMMENTS:

The DHSMV estimates that the program will generate \$1,899,670 in revenue during the 1998-99 fiscal year. Mobile Home Seal fees account for \$875,000 and Dealer License fees account for \$180,000, both of which are deposited in the General Revenue fund. Revenues deposited in the Highway Safety Operating Trust Fund total \$735,320. The DHSMV also estimates that \$109,350 will be collected for additional dealer license and title fees for deposit in the Mobile Home and Recreational Vehicle Protection Trust Fund. Of this amount, \$92,948 relates to mobile home transactions and \$16,402 relates to recreational vehicle transactions. Program expenditures are estimated to be \$1,565,185. The Bureau currently has 39 established positions.

The DHSMV reports that this bill will have a positive revenue impact on the DHSMV as total program costs are funded from the Highway Safety Operating Trust Fund while program revenues generate only \$735,320. The transfer of this program results in approximately \$875,000 being available in Highway Safety Operating Trust Fund for use by other DHSMV programs.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of a state tax shared with counties or municipalities.

V. COMMENTS:

The Florida Affordable Housing Study Commission (Commission) expresses concern about the mission statement in the bill that requires the DCA to be the agency responsible for ensuring that there is adequate affordable housing in this state through the use of manufactured homes defined in subsection 553.36(12), Florida Statutes. The Commission believes the language is exclusionary as to other existing state affordable housing programs other than mobile homes.

The DHSMV opposes transferring the mobile home and manufacturer dealers' **licensure program** to DCA. According to DHSMV, a vast majority of complaints are against mobile home dealers and most involve title and other sales problems. The titling and registration responsibilities remain with the DHSMV within the Bureau of Title and Registration (bureau). Also, resolution of such complaints come from the bureau after intensive and time-consuming investigation. Further, these responsibilities are not part of the current Bureau of Mobile Home and Recreational Vehicle Construction, which is being transferred to DCA. It is for these reasons, that the DHSMV believes it is more labor-and-cost efficient for the bureau to continue administering the licensure program.

The DCA supports a **bureau** under its Division of Housing and Community Development to administer the mobile home regulatory responsibilities. The DCA opposes reorganizing to accommodate the transfer under a separate **division** as provided in this bill. The DCA asserts that a bureau is more prudent because:

- (1) The mobile home regulatory responsibilities are already organized as a bureau with the DHSMV. There appears to be a cost associated with converting a bureau into a division.
- (2) The DCA's Division of Housing and Community Development already experiences great visibility as a successful program. As such, the current visibility enjoyed by the Bureau of Mobile Homes and Recreational Vehicle Construction will not be lost in the transfer. In fact, the DCA suggests

that the current mobile home regulatory program's visibility will be enhanced under the Division of Housing and Community Affairs.

- (3) The existing building code section of DCA oversees about two-thirds of the building inspections in Florida while the mobile home inspection program comprises only one third of building inspections in the state. As such, it does not appear logical, prudent, or fiscally sound to have the latter a division while the former remains a section.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

The sponsor will offer a strike-everything amendment to HB 623. The differences between the bill, as introduced, and the amendment follows:

- Requires license and inspection fees deposited in DCA's operating trust fund, rather than the General Revenue Fund;
- Replaces the definition of mobile home, and includes definitions of manufactured home and park trailers in the bill;
- Requires DCA be responsible for the installation of park trailers, as well as mobile homes and manufactured buildings;
- Specifies that counties and cities are not allowed to require used mobile or manufactured homes moved into their jurisdiction to be brought into compliance with the current federal codes;
- Specifies that only DCA has the authority to amend the uniform mobile home and park trailer installation standards;
- Includes the inspection of park trailers in the inspection responsibilities of the new division;
- Deletes the definition of park trailer, mobile home, and manufactured home from s. 320.01, Florida Statutes;
- Makes a number of technical changes to the bill; and
- Changes the effective date of the bill from January 1, 2000, to July 31, 1999.

VII. SIGNATURES:

COMMITTEE ON COMMUNITY AFFAIRS:

Prepared by:

Staff Director:

Nayola R. Frazier

Joan Highsmith-Smith