

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/SB 1626

SPONSOR: Commerce and Economic Opportunities Committee and Senator Posey

SUBJECT: Mobile Home Parks

DATE: March 1, 2002 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Bimholz</u>	<u>Maclure</u>	<u>CM</u>	<u>Favorable/CS</u>
2.	<u>Bowman</u>	<u>Yeatman</u>	<u>CA</u>	<u>Favorable</u>
3.	_____	_____	<u>JU</u>	_____
4.	_____	_____	<u>GO</u>	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

This committee substitute amends certain meeting and payment provisions relating to mobile home park tenancy, provides that certain mobile home park payment requirements are enforceable by the Florida Mobile Home Relocation Corporation in an appropriate court of law, and corrects cross-references regarding mobile home abandonment.

This committee substitute substantially amends the following sections of the Florida Statutes: 723.037, 723.06116, and 723.0612.

II. Present Situation:

Mobile Home Park Lot-Rental Increases, Reduction in Services or Utilities, and Changes in Rules and Regulations (s. 723.037, F.S.)

Section 723.037(1), F.S., provides that a mobile home park owner must give written notice to each affected mobile home owner and the board of directors of the homeowners' association at least 90 days prior to any increase in lot rental amount, reduction in services or utilities provided by the park owner, or change in rules and regulations. If such notice is given, a committee designated by a majority of the affected mobile home owners or by the board of directors of the homeowners' association and the park owner must meet, at a mutually convenient time and place within 30 days after receipt by the homeowners of the notice of change, to discuss the reasons for the increase in lot rental amount, reduction in services or utilities, or change in rules and regulations (s. 723.037(4)(a), F.S.).

Section 723.037(4)(b), F.S., provides that, at the meeting, the park owner must disclose and explain all material factors resulting in the decision to increase the lot rental amount, reduce

services or utilities, or change rules and regulations, including how those factors justify the specific change proposed. If an increase is based upon the lot rental amount charged by comparable mobile home parks, the park owner must disclose to the committee the information relied upon by the park owner concerning the comparable mobile home parks.

Section 723.037(4)(c), F.S., provides that, if the committee disagrees with a park owner's lot rental amount increase based upon comparable mobile home parks, the committee must disclose to the park owner the information relied upon by the committee concerning the comparable mobile home parks. The committee must provide to the park owner the disclosure, in writing, within 15 days after the meeting with the park owner, together with a request for a second meeting. However, this paragraph does not provide a deadline for conducting such second meeting.

Payments to the Florida Mobile Home Relocation Trust Fund (s. 723.06116, F.S.)

Section 723.06116(1), F.S., provides that, if a mobile home owner is required to move due to a change in use of the land comprising a mobile home park, the mobile home park owner must pay to the Department of Business and Professional Regulation, for deposit in the Florida Mobile Home Relocation Trust Fund, \$2,000 for each single-section mobile home and \$2,500 for each multisection mobile home for which a mobile home owner has made application for payment of moving expenses. This subsection, however, does not specify a deadline for making such payment.

Section 723.06116(2), F.S., provides that a mobile home park owner is not required to make such payment under subsection (1), nor is the mobile home owner entitled to compensation under "s. 723.0612, F.S.," when:

- the mobile home park owner moves a mobile home owner to another space in the mobile home park or to another mobile home park at the park owner's expense;
- a mobile home owner is vacating the premises and has informed the mobile home park owner or manager before the change in use notice has been given; or
- a mobile home owner abandons the mobile home as set forth in "s. 723.0612(8)."
However, it is subsection (7) of s. 723.0612, F.S., not subsection (8), which pertains to mobile home abandonment.

As noted above, under s. 723.06116(2), F.S., a mobile home owner is not entitled to compensation under "s. 723.0612, F.S.," when a mobile home owner abandons the mobile home as set forth in s. 723.0612(8), F.S. However (assuming that the reference to s. 723.0612(8), F.S., should, instead, be to s. 723.0612(7), F.S.), this prohibition against a mobile home owner who abandons his or her mobile home collecting compensation under "s. 723.0612, F.S.," appears to contradict s. 723.0612(7), F.S., which provides that a mobile home owner may abandon the mobile home in the mobile home park and collect an amount equal to one-fourth of the maximum allowable moving expenses.

**Change in Mobile Home Park Use and Payment of Related Relocation Expenses
(s. 723.0612, F.S.)**

Section 723.0612(1), F.S., provides that, if a mobile home owner is required to move due to a change in use of the land comprising the mobile home park and complies with the requirements of s. 723.0612, F.S., the mobile home owner is entitled to the lesser of:

- payment from the Florida Mobile Home Relocation Corporation (corporation) of the amount of actual moving expenses of relocating the mobile home to a new location within a 50-mile radius of the vacated park; or
- payment from the corporation in the amount of \$5,000 for a single-section mobile home or \$10,000 for a multisection mobile home.

Section 723.0612(3), F.S., states that, except as provided in subsection (7), in order to obtain payment from the corporation, the mobile home owner must submit to the corporation an application for payment which includes a copy of the notice of eviction due to change in use and a contract with a moving or towing contractor for the moving expenses for the mobile home. Section 723.0612(4), F.S., provides that the corporation must approve such payment within 15 days after receipt of this information or payment is deemed approved.

Section 723.0612(5), F.S., provides that actions of the corporation under this section are not subject to the provisions of ch. 120, F.S., but are reviewable only by writ of certiorari in the circuit court in the county in which the claimant resides in the manner and within the time provided by the Florida Rules of Appellate Procedure.

Section 723.0612(7), F.S., provides that, in lieu of collecting payment from the corporation under subsection (1), a mobile home owner may abandon the mobile home in the mobile home park and collect an amount equal to one-fourth of the maximum allowable moving expenses from the corporation as long as the mobile home owner delivers to the park owner the current title to the mobile home duly endorsed by the owner of record and valid releases of all liens shown on the title. If a mobile home owner chooses this option, the park owner must pay the corporation an amount equal to one-fourth of the maximum allowable moving expenses. This subsection, however, does not specify a deadline for making such payment.

III. Effect of Proposed Changes:

This committee substitute amends certain meeting and payment provisions relating to mobile home park tenancy, provides that certain mobile-home-park payment requirements are enforceable by the Florida Mobile Home Relocation Corporation in an appropriate court of law, and corrects cross-references regarding mobile home abandonment. The following is a section-by-section analysis of this committee substitute.

Section 1 amends s. 723.037(4)(c), F.S., to provide that, if the committee of mobile home owners (1) disagrees with a park owner's lot rental amount increase based upon comparable mobile home parks; (2) discloses to the park owner the information relied upon by the committee concerning the comparable mobile home parks; (3) provides the park owner with the disclosure, in writing, within 15 days after the original meeting with the park owner; and (4) requests a

second meeting with the mobile home park owner, the second meeting must occur within 30 days after the park owner receives the committee's request.

Section 2 amends s. 723.06116(1), F.S., to provide that, if a mobile home owner is required to move due to a change in use of the land comprising a mobile home park, the mobile home park owner must pay certain fees to the Florida Mobile Home Relocation Corporation (corporation), instead of to the Department of Business and Professional Regulation for deposit in the Florida Mobile Home Relocation Trust Fund, as provided for in current law. This subsection is also amended to require mobile home park owners to make such payments and payments under s. 723.0612(7), F.S., (relating to mobile-home abandonment) to the corporation within 30 days after receipt of an invoice for payment from the corporation. Section 2 of this committee substitute also:

- amends s. 723.06116(2), F.S., to change the cross-reference from “s. 723.0612, F.S.,” to “s. 723.0612(1), F.S.,” in order to clarify that, although a mobile home owner who abandons his or her mobile home is prohibited from collecting the “non-abandonment” compensation under s. 723.0612(1), F.S., the mobile home owner is still allowed to collect the compensation under s. 723.0612(7), F.S.;
- amends s. 723.06116(2)(c), F.S., to correct the cross-reference from “s. 723.0612(8), F.S.,” to “s. 723.0612(7), F.S.”; and
- creates s. 723.06116(3), F.S., which provides that s. 723.06116, F.S., and s. 723.0612(7), F.S., (relating to mobile-home abandonment) are enforceable by the corporation by action in a court of appropriate jurisdiction.

Section 3 amends s. 723.0612(4), F.S., to provide that the corporation must approve payment to an eligible mobile home owner, who has been required to move due to a change in use of the land comprising his or her mobile home park, within 45 days (instead of 15 days as under current law) after receipt by the corporation of specified information from the mobile home owner, or payment to the mobile home owner is deemed approved.

Section 4 provides that this committee substitute shall take effect July 1, 2002.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

This committee substitute amends s. 723.037(4)(c), F.S., to provide that, if the committee of mobile home owners meets the disclosure requirements under the paragraph and requests a second meeting with the mobile home park owner, the meeting must occur within 30 days after the park owner receives the committee's request.

This committee substitute also amends s. 723.06116(1), F.S., to provide that, if a mobile home owner is required to move due to a change in use of the land comprising a mobile home park, the mobile home park owner must pay certain fees to the corporation, instead of to the Department of Business and Professional Regulation for deposit in the Florida Mobile Home Relocation Trust Fund, as provided for in current law. This subsection is also amended to require mobile home park owners to make such payments and payments under s. 723.0612(7), F.S., (relating to mobile-home abandonment) to the corporation within 30 days after receipt of an invoice for payment from the corporation. Additionally, this committee substitute creates s. 723.06116(3), F.S., which provides that s. 723.06116, F.S., and s. 723.0612(7), F.S., (relating to mobile-home abandonment) are enforceable by the corporation by action in a court of appropriate jurisdiction.

This committee substitute amends s. 723.0612(4), F.S., to provide that the corporation must approve payment to an eligible mobile home owner, who has been required to move due to a change in use of the land comprising his or her mobile home park, within 45 days (instead of 15 days as under current law) after receipt by the corporation of specified information from the mobile home owner, or payment to the mobile home owner is deemed approved.

C. Government Sector Impact:

Section 723.06115, F.S., establishes the Florida Mobile Home Relocation Trust Fund (trust fund) within the Department of Business and Professional Regulation (department) for the purpose of funding the administration and operations of the corporation. The trust fund is funded from the moneys collected by the department under s. 723.06116, F.S., from mobile home park owners who change the use of their mobile home parks and by other appropriated funds. This committee substitute, however, amends s. 723.06116(1), F.S., to provide that, if a mobile home owner is required to move due to a change in use of the land comprising a mobile home park, the mobile home park owner must pay certain fees to the corporation instead of to the department for deposit in the trust fund. Because of the elimination of this funding source for the trust fund, the Legislature may wish to reassess the necessity of the trust fund.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
