

**The Florida Senate**  
**PROFESSIONAL STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT**

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

Prepared By: General Government Appropriations Committee

BILL: CS/SB 1036

INTRODUCER: Regulated Industries Committee

SUBJECT: Florida Mobile Home Relocation Corporation

DATE: April 24, 2007                      REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Oxamendi</u>	<u>Imhof</u>	<u>RI</u>	<u>Fav/CS</u>
2.	<u>Frederick</u>	<u>DeLoach</u>	<u>GA</u>	<u>Favorable</u>
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

**I. Summary:**

The bill specifies the terms of the notice that mobile home park owners provide to homeowners, at least six months before a change in the use of the park, of the homeowners' need to secure other accommodations.

The bill provides that, in an action brought by the Florida Mobile Home Relocation Corporation (corporation) to collect assessed payments, the corporation may file and maintain the action in Leon County. It also provides that Leon County is the proper venue for any action to which the corporation is a party.

The bill provides a late fee for a mobile home park owner's untimely payments to the Florida Mobile Home Relocation Trust Fund within the Department of Business and Professional Regulation (DBPR). The bill provides a one year time limit during which a mobile home owner who has been required to move from a mobile home park may file a claim for relocation expenses from the Florida Mobile Home Relocation Corporation.

The late fees required by the bill may discourage late payments to the Florida Mobile Home Relocation Trust Fund. This change may result in an indeterminate increase in revenue to the Mobile Home Relocation Trust Fund.

This bill substantially amends the following sections of the Florida Statutes: 723.061, 723.06116, and 723.0612.

## II. Present Situation:

In 2001, the Legislature created the Mobile Home Relocation Program in response to concerns associated with the closure of mobile home parks.<sup>1</sup> The program, which was implemented with the support of the Florida Manufactured Housing Association and the Federation of Manufactured Home Owners of Florida, was codified in ch. 723, F.S.<sup>2</sup> The Legislature created this chapter, known as the Mobile Home Act, largely due to the unique relationship between a mobile home owner and a mobile home park owner. Section 723.004, F.S., provides in part that:

Once occupancy has commenced, unique factors can affect the bargaining position of the parties and can affect the operation of market forces. Because of those unique factors, there exists inherently real and substantial differences in the relationship which distinguish it from other landlord-tenant relationships. The Legislature recognizes that mobile home owners have basic property and other rights which must be protected. The Legislature further recognizes that the mobile home park owner has a legitimate business interest in the operation of the mobile home park as part of the housing market and has basic property and other rights which must be protected.

In order to evict mobile home owners due to a change in the use of the land on which the mobile home park is located, the park owner is required to give the tenants affected by the change at least six months' notice of the projected change in land use, in order to give tenants time to find other accommodations.<sup>3</sup> The notice of a change in land use must be in writing and posted on the premises and sent to the mobile home tenant or occupant.<sup>4</sup> The mobile home park owner does not have to disclose the proposed land use designation for the park.<sup>5</sup>

In addition to the notice required for a proposed change in the use of land, a park owner must provide notice of filing for a zoning change to each mobile home owner or the directors of the homeowners' association, if one has been established, within five days after submitting the application to the zoning authority.<sup>6</sup> Local governments and state agencies are prohibited from approving an application for rezoning or taking any other official action that results in the removal or relocation of homeowners from a mobile home park, unless it is first determined whether adequate mobile home parks or other suitable facilities exist for the displaced homeowners.<sup>7</sup> The term "or other suitable facilities" does not have a statutory definition.

### **Florida Mobile Home Relocation Corporation**

The Florida Mobile Home Relocation Corporation, established in s. 723.0611, F.S., governs the collection and payment of relocation expenses for mobile home owners displaced by a change in

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<sup>1</sup> Chapter 2001-227, L.O.F.

<sup>2</sup> See ss. 723.061-723.0612, F.S.

<sup>3</sup> Section 723.061(1)(d), F.S.

<sup>4</sup> Section 723.061(5), F.S.

<sup>5</sup> See *Harris v. Martin Regency, Ltd.*, 576 So. 2d 1294, 1296 (Fla. 1991).

<sup>6</sup> Section 723.081, F.S.

<sup>7</sup> Section 723.083, F.S.

land use for a mobile home park. Specifically, s. 723.0612, F.S., provides for relocation expenses to be paid from the corporation to the mobile home owner. The amount of the payment is the actual moving expenses of relocating the mobile home to a new location within a 50-mile radius of the vacated park, or \$3,000 for a single-section mobile home or \$6,000 for a multi-section mobile home, whichever is less. Moving expenses include the cost of taking down, moving, and setting up the mobile home in a new location.<sup>8</sup>

The mobile home park owner is required to make payment to the corporation in the amount of \$2,750 per single-section mobile home and \$3,750 per multi-section mobile home for each application for moving expenses due to a change in land use.<sup>9</sup> These payments are due within 30 days after receipt of the invoice from the corporation. There are currently no provisions for late fees if the payments to the corporation are not timely submitted. Payments received by the corporation are deposited in the Florida Mobile Home Relocation Trust Fund.<sup>10</sup> The mobile home park owner is not required to make the payments, nor is the mobile home owner entitled to compensation, if:

- The mobile home owner is moved to another space in the park or to another mobile park at the park owner's expense.
- The mobile home owner notified the mobile home park owner, before the notice of a change in land use, that he or she was vacating the premises.
- A mobile home owner abandons the home as provided for in s. 723.0612(7), F.S.
- The mobile home owner had an eviction action filed against him or her prior to the mailing date of the change in the use of land.<sup>11</sup>

In addition to the above payments, the mobile home park owners pay a \$1 surcharge on the annual fee that is remitted to the DBPR for each lot within a mobile home park that he or she owns.<sup>12</sup> The surcharge payments are deposited in the trust fund and may or may not be imposed depending on the balance in the trust fund. Mobile home owners also contribute to the trust fund through a \$1 surcharge on the decal fee that is remitted to the Department of Highway Safety and Motor Vehicles.

### **Applications for Funding Moving Expenses**

In order to obtain payment for moving expenses, the home owner is required to submit an application for payment to the corporation, which includes a copy of the notice of change in use and a contract with a moving company for relocation of the mobile home.<sup>13</sup> The corporation must approve payment within 45 days after receiving the information or the payment is deemed approved. Upon approval, the corporation will issue a voucher in the amount of the contract price for relocating the mobile home, which the moving contractor may redeem upon completion of the move and approval of the relocation by the mobile home owner.<sup>14</sup>

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<sup>8</sup> Section 723.0612(1), F.S.

<sup>9</sup> Section 723.06116(1), F.S.

<sup>10</sup> Section 723.06116(1), F.S.

<sup>11</sup> Section 723.06116(2), F.S.

<sup>12</sup> Section 723.007(1), F.S.

<sup>13</sup> Section 723.0612(3), F.S.

<sup>14</sup> Section 723.0612(3)-(4), F.S.

In lieu of collecting moving expenses from the corporation, a mobile home owner may elect to abandon the home and collect payment from the corporation in the amount of \$1,375 for a single section mobile home and \$2,750 for a multi-section mobile home.<sup>15</sup> Upon election of abandonment, the mobile home owner must deliver to the park owner an endorsed title with a valid release of all liens on the title to the mobile home.<sup>16</sup>

A mobile home owner whose application for funding that has been approved by the corporation is barred from filing a claim or cause of action under ch. 723, F.S., directly relating to or arising from the proposed change in land use of the mobile home park against the corporation, the park owner, or the park owner's successors in interest.<sup>17</sup> Also, the corporation may not approve an application for funding if the applicant has either filed a claim or cause of action, is actively pursuing such claim or cause of action, or has a judgment against the corporation, the park owner, or the park owner's successors in interest unless the claim or cause of action is dismissed with prejudice.<sup>18</sup>

### **Right of First Refusal**

A mobile home park owner who offers his or her park for sale to the general public must notify the officers of the homeowners' association of the offer, asking prices, and the terms and conditions of sale.<sup>19</sup> The mobile homeowners' association must be given 45 days from the date the notice is mailed to meet the price and terms and conditions through the execution of a contract with the park owner. If the homeowners' association and the park owner fail to execute a contract within the 45-day timeframe, the park owner has no further obligation unless he or she agrees to accept a lower price.<sup>20</sup> However, if the park owner agrees to sell the park at a lower price than specified in the notice to the association, then the homeowners' association has an additional 10 days to execute a contract.<sup>21</sup>

If a mobile home park owner receives an unsolicited offer to purchase the park that he or she wishes to consider or make a counteroffer to, the park owner is required to notify the mobile homeowners' association of the offer and disclose the price and material terms and conditions upon which the park owner would consider selling the park.<sup>22</sup> Although the park owner must consider subsequent offers by the homeowners' association, he or she is free to execute a contract to sell the park to a party other than the association at any time.<sup>23</sup>

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<sup>15</sup> Section 723.0612(7), F.S.

<sup>16</sup> Section 723.0612(7), F.S.

<sup>17</sup> Section 723.0612(9), F.S.

<sup>18</sup> *Id.*

<sup>19</sup> Section 723.071(1)(a), F.S.

<sup>20</sup> Section 723.071(1)(b), F.S.

<sup>21</sup> Section 723.071(1)(c), F.S.

<sup>22</sup> Section 723.071(2), F.S.

<sup>23</sup> Section 723.071(2), F.S.

### **III. Effect of Proposed Changes:**

#### **Notice of Change in Land Use**

The bill amends s. 723.061(1)(d), F.S., to specify the terms of the notice that mobile home park owners must be provided to homeowners at least six months before a change in the use of the park and of the homeowners' need to secure other accommodations. The notice must be in font no smaller than the font in the body of the notice. The required notice reads:

YOU MAY BE ENTITLED TO COMPENSATION FROM THE FLORIDA MOBILE HOME RELOCATION TRUST FUND, ADMINISTERED BY THE FLORIDA MOBILE HOME RELOCATION CORPORATION (FMHRC); FMHRC CONTACT INFORMATION IS AVAILABLE FROM THE FLORIDA DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION.

#### **Payments by Mobile Home Park Owners**

The bill amends s. 723.06116(1), F.S., to require the payment of late fees for untimely payments from mobile home park owners to the relocation trust fund. The amount of the late fee is an additional 10 percent payment if the payment not submitted within 30 days of the invoice, 20 percent if not submitted within 90 days, and 25 percent if not received with 120 days.

The bill provides that, in an action brought by the corporation to collect assessed payments, the corporation may file and maintain the action in Leon County. The bill provides that, if the party is a party to any other action, venue for the action must also be in Leon County.

#### **Application for Funding Moving Expenses**

The bill amends s. 723.0612, F.S., to prohibit a mobile home owner from making an application for funding if the applicant has settled a claim or cause of action against the corporation, park owner, or the park owner's successors in interest directly related to the change in the use of the land for the mobile home park.

The bill also limits the period for filing an application for moving expenses to one year after the expiration of the eviction period as established in the notice of the change of land use. If the home owner has filed a claim or cause of action that is subsequently dismissed with prejudice, the bill gives the homeowner six months following the dismissal to submit the application for moving expenses. However, such an applicant must file the application within two years after the expiration of the eviction period as established in the notice of the change of land use.

#### **Effective Date**

The bill takes effect upon becoming a law.

**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:

A mobile home park owner who does not timely submit payments to the Florida Mobile Home Relocation Trust Fund would have to pay late fees. Mobile homeowners who do not submit an application for moving expenses within one year after the expiration of the eviction period of the eviction would be denied their claim.

## C. Government Sector Impact:

The late fees required by the bill may discourage late payments to the Florida Mobile Home Relocation Trust Fund and the fund may receive indeterminate additional funds from the late fees.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

## **VIII. Summary of Amendments:**

None.

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This Senate Professional Staff Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

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