

SPONSOR: Rep. Briggs King

Reps. Collins, Kowalko, Matthews, D. Short, K. Williams, Wilson, Yearick

## HOUSE OF REPRESENTATIVES 149th GENERAL ASSEMBLY

## HOUSE RESOLUTION NO. 24

AN ACT ESTABLISHING THE MHOCOA TASK FORCE TO REVIEW AND PROPOSE REVISIONS TO THE MANUFACTURED HOME OWNERS AND COMMUNITY OWNERS ACT.

| 1  | WHEREAS, Chapter 70 of Title 25 of the Delaware Code, the Manufactured Home Owners and Community                 |
|----|--|
| 2  | Owners Act ("MHOCOA") governs communities where the land is owned by a private business and lots on the land are |
| 3  | rented to individuals who own manufactured homes; and  |
| 4  | WHEREAS, manufactured housing is an important source of affordable housing in Delaware, especially for           |
| 5  | retirees and individuals with disabilities; and  |
| 6  | WHEREAS, for others, manufactured housing serves as a second, vacation home; and                                 |
| 7  | WHEREAS, manufactured housing communities are owned by private businesses, some of which are                     |
| 8  | headquartered and owned by Delawareans, others owned by people in other states; and                              |
| 9  | WHEREAS, the MHOCOA is complex and difficult to interpret by community owners, manufactured                      |
| 10 | homeowners, and the courts; and  |
| 11 | WHEREAS, sections the MHOCOA contain inconsistent provisions and language and do not conform to the              |
| 12 | standards of the Delaware Legislative Drafting Manual; and   |
| 13 | WHEREAS, the lack of clarity in the MHOCOA has been mentioned in court opinions; and                             |
| 14 | WHEREAS, clear statutory language can reduce the number of legal disputes, encourage settlement of disputes      |
| 15 | and provide the basis for consistent court decisions; and  |
| 16 | WHEREAS, during recent years, several different pieces of legislation have been considered by the General        |
| 17 | Assembly to make piecemeal revisions to the MHOCOA; and  |
| 18 | WHEREAS, students at the Delaware Law School at Widener University, with the Department of Justice, have         |
| 19 | been reviewing the MHOCOA to suggest revisions; and  |
| 20 | WHEREAS, the stakeholders most affected by the MHOCOA have extensive knowledge, experience, and                  |
| 21 | investment in revising the MHOCOA.   |
| 22 | NOW THEREFORE:   |

Page 1 of 4

LC: DIG: AFJ 0801490337

| 23 | BE IT RESOLVED by the House of Representatives of the 149th General Assembly of the State of Delaware, th         |
|----|---|
| 24 | a Manufactured Housing Task Force ("Task Force") is hereby created.   |
| 25 | BE IT FURTHER RESOLVED that the Task Force shall be composed of the following voting members, or a                |
| 26 | designee appointed by the member serving by virtue of position:   |
| 27 | (1) A State Representative from the majority caucus, appointed by the Speaker of the House, who shall serve as    |
| 28 | Co-Chair of the Task Force.   |
| 29 | (2) A State Representative from the minority caucus, appointed by the Speaker of the House, who shall serve as    |
| 30 | Co-Chair of the Task Force.   |
| 31 | (3) Three full-time resident owners of manufactured homes located within a manufactured home community in         |
| 32 | Delaware, 1 from each county, 2 appointed by the Delaware Manufactured Home Owners Association and 1 appointed by |
| 33 | the Land Lease Homeowners Coalition, Inc.   |
| 34 | (4) Three members, 1 from each county, appointed by the First State Manufactured Housing Association.             |
| 35 | (5) The Chair of the Delaware Manufactured Home Relocation Authority.   |
| 36 | BE IT FURTHER RESOLVED that the Task Force shall be composed of the following nonvoting members, or a             |
| 37 | designee appointed by the member serving by virtue of position:   |
| 38 | (1) The Attorney General.   |
| 39 | (2) The Director of the Delaware State Housing Authority.   |
| 40 | (3) One attorney, appointed by the Community Legal Aid Society, Inc.  |
| 41 | (4) One member, appointed by the Delaware Law School at Widener University.                                       |
| 42 | (5) One attorney, appointed by the First State Manufactured Housing Association.                                  |
| 43 | (6) One licensed real estate professional, appointed by the Delaware Association of REALTORS.                     |
| 44 | (7) One member with expertise regarding nonprofit housing development, appointed by Housing Alliance              |
| 45 | Delaware.   |
| 46 | BE IT FURTHER RESOLVED The Task Force shall perform a comprehensive review of Chapter 70 of Title 25              |
| 47 | of the Delaware Code, MHOCOA.   |
| 48 | BE IT FURTHER RESOLVED that the Task Force review shall include consideration of court and arbitration            |
| 49 | decisions concerning the rent justification process and best practices from other jurisdictions.                  |
| 50 | BE IT FURTHER RESOLVED that the Task Force review shall adopt recommendations regarding revisions to              |
| 51 | make substantive and technical improvements to Chapter 70 of Title 25 of the Delaware Code, MHOCOA, with priority |
| 52 | given to all of the following:  |

Released: 03/15/2018 11:19 AM

| 53 | (1) Rent justification, §§ 7042 – 7046.  |
|----|--|
| 54 | (2) Change in land use, § 7010.  |
| 55 | (3) Right of first offer, § 7026.  |
| 56 | BE IT FURTHER RESOLVED that quorum of the Task Force shall be half plus 1 of its members.                                      |
| 57 | BE IT FURTHER RESOLVED that:   |
| 58 | (1) Official action by the Task Force, including making findings and recommendations, requires the approval of a               |
| 59 | majority of the members of the Task Force.   |
| 60 | (2) The Task Force may adopt rules necessary for its operation. If the Task Force does not adopt rules or if the               |
| 61 | adopted rules do not govern a given situation, Mason's Manual of Legislative Procedure controls.                               |
| 62 | BE IT FURTHER RESOLVED that the co-chairs of this Task Force be responsible for guiding the administration                     |
| 63 | of the Task Force by, at a minimum, doing all of the following:  |
| 64 | (1) Setting a date, time, and place for the initial organizational meeting.  |
| 65 | (2) Supervising the preparation and distribution of meeting notices, agendas, minutes, correspondence, and reports             |
| 66 | of the Task Force.   |
| 67 | (3) Sending, after the first meeting of the Task Force, a list of the members of the task force and the person who             |
| 68 | appointed them to the President Pro Tempore of the Senate and the Speaker of the House of Representatives and to the           |
| 69 | Director of the Division of Research of Legislative Council.   |
| 70 | (4) Providing meeting notices, agendas, and minutes to the Director of the Division of Research of Legislative                 |
| 71 | Council.   |
| 72 | (5) Ensuring that the final report of the Task Force is submitted to the President Pro Tempore of the Senate and the           |
| 73 | Speaker of the House of Representatives with a copy to all members of the General Assembly, the Governor, the Director         |
| 74 | and the librarian of the Division of Research of Legislative Council, and to the Delaware Public Archives.                     |
| 75 | BE IT FURTHER RESOLVED that the Task Force shall hold its first meeting no later than July 31, 2018 and                        |
| 76 | shall meet at least once each month thereafter until the final report is submitted.  |
| 77 | BE IT FURTHER RESOLVED that the General Assembly shall be responsible for providing reasonable and                             |
| 78 | necessary support staff, including a legislative attorney, and materials for the Task Force to carry out its mission.          |
| 79 | BE IT FURTHER RESOLVED that the Co-Chairs of the Task Force shall compile a report containing a summary                        |
| 80 | of the Task Force's work regarding the issues assigned to it in lines 45 through 56 of this resolution, including any findings |
| 81 | and recommendations, and shall submit the report to all members of the General Assembly and the Governor no later than         |

Released: 03/15/2018 11:19 AM

82

December 31, 2018.

## **SYNOPSIS**

Since its adoption in 2003, the Manufactured Home Owners and Community Owners Act ("MHOCOA"), Chapter 70 of Title 25, has proven to be an effective tool to protect the rights of tenants in manufactured home communities. During the years since its adoption, a number of issues and concerns have been identified by tenants, community owners, and the courts. This Resolution establishes the MHOCOA Task Force to review the MHOCOA in order to determine what changes, if any, are needed in order to improve this Act so that it supports a balance of protections and rights for all parties involved.

Page 4 of 4 LC : DIG : AFJ Released: 03/15/2018 11:19 AM

0801490337