

ARIZONA STATE SENATE Fifty-Sixth Legislature, First Regular Session

FACT SHEET FOR H.B. 2381

mobile homes; recreational vehicles; fund

Purpose

Increases various maximum payment amounts that a tenant may collect from the Mobile Home Relocation Fund (Fund) for relocating a mobile home or recreational vehicle (RV), if the tenant is required to move due to a change in use or redevelopment of the mobile home park.

Background

The Arizona Mobile Home Parks Residential Landlord and Tenant Act (Act) is established to: 1) simplify, clarify and establish the law governing the rental of mobile home spaces and rights and obligations of landlords and tenants; and 2) encourage landlords and tenants to maintain and improve the quality of mobile home housing. The Act regulates and determines rights, obligations and remedies under a rental agreement, wherever made, for a mobile home space in a mobile home park located in Arizona (A.R.S. §§ 33-1402 and 33-1406).

Statute establishes the Fund to be administered by the Director of the Arizona Department of Housing (Director). The Fund consists of monies collected from assessments on mobile homes and park trailer or park model RVs and surcharges on civil penalties for park managers' noncompliance with educational program requirements. If the Fund balance exceeds \$8,000,000 in any year, the assessments are waived and reinstated if the Fund balance is less than \$6,000,000 at the end of the fiscal year. The monies in the Fund may be used for the: 1) relocation of a mobile home due to a rent increase; 2) costs of bringing a mobile home into compliance with statutory requirements for manufactured housing; and 3) payment of premiums and costs of purchasing insurance coverage for tenant relocation costs due to a change in use. If insurance is not available, or if the insurance costs exceed the amount available from the Fund, the Fund is used to make direct payments for tenant relocation costs (A.R.S. §§ <u>33-1476.02</u> and <u>33-1476.03</u>).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

Mobile Home Relocation Fund Payments

- 1. Increases the maximum payment amount that a tenant may collect from the Fund for relocating a mobile home to a new location, if the tenant is required to move due to a change in use or redevelopment of the mobile home park, from:
 - a) \$7,500 to \$12,500, for a single section mobile home; and
 - b) \$12,500 to \$20,000, for a multisection mobile home.

- 2. Increases, from 25 percent to 40 percent, the percentage amount of the maximum allowable moving expense that a tenant may collect from the Fund for the mobile home, if the tenant is required to move due to a change in use or redevelopment of the mobile home park and the tenant abandons the mobile home in the mobile home park.
- 3. Increases, from \$4,000 to \$6,000, the maximum payment amount that a tenant may collect from the Fund for relocating a park trailer or park model RV to a new location, if the tenant is required to move due to a change in use or redevelopment of the park.
- 4. Increases, from 25 percent to 40 percent, the percentage amount of the maximum allowable moving expense that a tenant may collect from the Fund for the park trailer or park model RV, if the tenant is required to move due to a change in use or redevelopment of the park and the tenant abandons the park trailer or park model RV in the park.
- 5. Increases, from \$8,000,000 to \$10,000,000, the threshold for the Director to notify all county assessors to waive the assessment on mobile homes for the Fund for any year.
- 6. Requires, rather than allows, the Director to notify the county assessors to reinstate the assessment on mobile homes for the Fund, if at the end of the fiscal year the amount of monies in the Fund is less than \$6,000,000.
- 7. Requires, rather than allows, the Director of ADOH to adopt, amend or repeal rules for the administration of the Fund.

Miscellaneous

- 8. Requires a landlord to extend, from 14 days to 60 days, the time for repairs for a tenant's breach of the rental agreement, if, within 14 days of the breach notice, the tenant presents to the landlord a signed contract with a licensed contractor to correct the breach within 60 days of the notice.
- 9. Makes technical and conforming changes.
- 10. Becomes effective on the general effective date.

House Action

COM	1/31/23	DP	9-0-1-0
3 rd Read	2/21/23		41-19-0

Prepared by Senate Research March 6, 2023 JT/FB/sr