THE GENERAL ASSEMBLY OF PENNSYLVANIA

## **HOUSE BILL**

No. 2941 Session of 2020

INTRODUCED BY HANBIDGE, MADDEN, HILL-EVANS, FREEMAN, HOWARD, GALLOWAY AND CIRESI, OCTOBER 19, 2020

REFERRED TO COMMITTEE ON URBAN AFFAIRS, OCTOBER 19, 2020

## AN ACT

- 1 Amending the act of November 24, 1976 (P.L.1176, No.261),
- entitled "An act providing for the rights and duties of
- manufactured home owners or operators and manufactured home
- 4 lessees, "providing for rent increases.
- 5 The General Assembly of the Commonwealth of Pennsylvania
- 6 hereby enacts as follows:
- 7 Section 1. The act of November 24, 1976 (P.L.1176, No.261),
- 8 known as the Manufactured Home Community Rights Act, is amended
- 9 by adding a section to read:
- 10 <u>Section 6.1. Rent Increases.--(a) A manufactured home</u>
- 11 community owner shall:
- 12 (1) Post any proposed rent increase in a public area within
- 13 the manufactured home community at least 180 days prior to the
- 14 <u>effective date of the rent increase.</u>
- 15 (2) Notify the manufactured home residents and manufactured
- 16 home tenants of any proposed rent increase by certified mail or
- 17 hand flyer at their residences 180 days prior to the effective
- 18 <u>date of the rent increase.</u>
- 19 (b) If the proposed rent increase is higher than the most

- 1 recent annual cost-of-living adjustment calculated by the U.S.
- 2 Bureau of Labor Statistics using the percentage change in the
- 3 Consumer Price Index for All Urban Consumers (CPI-U) for
- 4 Pennsylvania, a manufactured home resident or manufactured home
- 5 tenant may begin proceedings before a magisterial district judge
- 6 to review the rent increase within 180 days of the effective
- 7 <u>date of the proposed rent increase.</u>
- 8 (c) If a magisterial district judge determines that the rent
- 9 increase is unreasonable, the magisterial district judge may set
- 10 the rent increase at or below the most recent annual cost-of-
- 11 living adjustment calculated by the U.S. Bureau of Labor
- 12 Statistics using the percentage change in the Consumer Price
- 13 Index for All Urban Consumers (CPI-U) for Pennsylvania for one
- 14 <u>year.</u>
- 15 <u>(d) In determining if a proposed rent increase is</u>
- 16 <u>reasonable</u>, a magisterial district judge shall consider all of
- 17 the following:
- 18 (1) Increases in the community owner's operating expenses.
- (2) Increases in the community owner's property taxes on the
- 20 community park.
- 21 (3) Increases in the cost of debt service that is directly
- 22 related to acquisition or capital improvements in the community
- 23 park.
- 24 (4) The return on the community owner's equity investment
- 25 over the past three years, and the reasons offered by the
- 26 community owner for seeking an increase in the return on the
- 27 community owner's investment.
- 28 (5) A sampling of current lot rents in the region in which
- 29 the community park is located.
- 30 (6) Any other costs asserted by the community owner that are

- 1 relevant and probative of the need for an increase.
- 2 Section 2. This act shall take effect in 180 days.