



## **ARIZONA STATE SENATE**

*Fifty-First Legislature, Second Regular Session*

### **AMENDED**

FACT SHEET FOR S.B. 1132

#### mobile homes; relocation expenses

##### Purpose

Specifies when the payment of relocation expenses from the Mobile Home Relocation Fund for mobile or manufactured homes is due and increases the cap for rehabilitation reimbursements.

##### Background

Among its duties, the Arizona Department of Fire, Building and Life Safety (DFBLS) is responsible for the maintenance and enforcement of quality and safety standards for manufactured homes, mobile homes and factory-built buildings (A.R.S. § 41-2141).

The Mobile Home Relocation Fund (Fund) was established by Laws 1987, Chapter 232, and is administered by the Director of DFBLS (Director). The Fund is comprised of assessments collected from mobile home owners who do not own the land upon which the mobile homes are located and interest earnings. Once the Fund balance reaches \$8,000,000, the Director is required to notify all county assessors to cease assessment collections for the year. If the Fund balance reaches less than \$6,000,000 at the end of a fiscal year, assessment collections must resume. Monies in the Fund are used to pay for tenant relocations due to certain property changes and to pay premiums and other costs of purchasing insurance coverage for tenant relocation costs due to a change in mobile home park use. If such insurance is not available, or if the insurance costs exceed the amount available from the Fund, Fund monies are instead used to make direct payments for tenant relocation costs.

A landlord is required by law to inform all tenants in writing about the Fund when relocation is warranted. In order to be eligible for payment of relocation expenses from the Fund, a tenant is required to submit a mobile home relocation contract to the Director for approval within 60 days after the relocation. The Director is required to either approve or disapprove a contract within 15 days after receipt of the contract, or the contract is deemed to be approved. Once approval is granted, the payment of relocation expenses are made pursuant to rules adopted by the Director.

There is no anticipated fiscal impact to the state General Fund as a result of this legislation.

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**Provisions**

1. Specifies that payment of relocation expenses for a mobile or manufactured home are due to the installer or contractor when the following have been completed:
  - a) the installer or contractor has obtained valid permits to move the mobile or manufactured home to a new location; and
  - b) the installer or contractor provides documentation to the DFBLS that the installation at the new location is complete and has been inspected by the DFBLS or its designee and approved for occupancy.
2. Stipulates, for reimbursement eligibility for relocations due to a rent increase or a change in age restricted community use, that the tenant must have a fully signed contract with a licensed installer or contractor to move the mobile home within 45 days after the reason for relocation. Current law requires a tenant to either relocate the mobile home or have a signed contract with a moving company.
3. Increases the maximum amount of reimbursement from the Fund for costs of bringing a mobile home into compliance with state safety and quality standards, from \$1,000 to \$1,500. In order to qualify for this reimbursement, the mobile home must be relocated from one mobile home park to another in this state, the household income of the owner must be at or below 100 percent of the current federal poverty level guidelines and the relocation must not be due to a judgment in a forcible or special detainer action.
4. Reconciles differences in relocation reimbursement procedure by specifying that a tenant may appeal a denied contract to an administrative law judge and stipulating that the tenant must provide a 30 day notice of vacating to the landlord if the tenant relocates.
5. Makes technical and conforming changes.
6. Becomes effective on the general effective date.

**Amendments Adopted by Committee**

- Elaborates when payment for relocation expenses is due.

**Senate Action**

CEM 1/29/14      DPA 6-0-1

Prepared by Senate Research

January 30, 2014

JT/tf