

## **BILL ANALYSIS**

Senate Research Center  
82R3997 AJZ-F

S.B. 1373  
By: Carona  
Business & Commerce  
3/24/2011  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Texas laws regulating manufactured housing date back more than 30 years. During the intervening years, the manufactured housing industry has experienced significant change and there is a need to clarify the statute to provide more consumer protections and to increase the efficiency and productivity of the manufactured housing division of the Texas Department of Housing and Community Affairs (TDHCA).

Chapter 1201 (Manufactured Housing), Occupations Code, pertains to manufactured housing. S.B. 1372 would require that notice of a lien be sent to the chief appraiser, rather than the tax assessor collector. This bill would clarify when a community owner can declare abandonment on a manufactured home and set up guidelines for TDHCA regarding the process of releasing a lien.

As proposed, S.B. 1373 amends current law relating to the regulation of manufactured housing.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 1201.2055(e), Occupations Code, to provide that a real property election for a manufactured home is not considered to be perfected, rather than is not considered to be real property, until a certified copy of the statement of ownership and location has been filed and the Texas Department of Housing and Community Affairs (TDHCA) and the tax assessor-collector have been notified of the filing as provided by Subsection (d) (relating to ownership and liens of manufactured homes).

SECTION 2. Amends Section 1201.2076(a), Occupations Code, as follows:

(a) Prohibits TDHCA from issuing a statement of ownership and location for a manufactured home that is being converted from real property to personal property until TDHCA has inspected the home and determined that it is habitable, rather than determines that it is habitable and has notified the appropriate tax assessor-collector of the conversion:

(1) each lien, including a tax lien, on the home is released by the lienholder; or

(2) each lienholder, including a taxing unit, gives written consent, to be placed on file with TDHCA.

SECTION 3. Amends Section 1201.217(a), Occupations Code, to authorize the owner of real property on which a manufactured home owned by another is located to declare the home abandoned as provided by this section if the home has been continuously unoccupied for at least four months, and any indebtedness secured by the home, rather than manufactured home, or related to a lease agreement between the owner of the real property and the owner of the home is considered delinquent.

SECTION 4. Amends Section 1201.219(d), Occupations Code, to provide that a tax lien on a manufactured home not held in a retailer's inventory is perfected only by filing with TDHCA the notice of the tax lien on a form provided by TDHCA in accordance with the requirements of Chapter 32 (Tax Liens and Personal Liability), Tax Code, rather than providing that, except as provided by Subsection (a), a tax lien on a manufactured home is perfected only by filing with TDHCA in accordance with the requirements of Chapter 23, Tax Code.

SECTION 5. Amends Section 1201.220, Occupations Code, as follows:

Sec. 1201.0220. New heading: REPORT TO CHIEF APPRAISER. Requires TDHCA to provide in electronic format, or in hard-copy format on request, to each chief appraiser of an appraisal district, rather than to each county tax assessor-collector, in this state a monthly report that for each manufactured home reported as having been installed during the preceding month in the county for which the district was established and for each manufactured home previously installed in the county for which a transfer of ownership was recorded by the issuance of a statement of ownership and location during the preceding month, lists certain information.

Deletes existing designation of Subsection (a). Deletes existing Subsection (b) requiring the director to provide a copy of the report to the chief appraiser of the appraisal district established for the county in which the home is reported as installed.

SECTION 6. Amends Section 1201.452(b), Occupations Code, to require a person, if the home does not have the appropriate seal or label to apply to TDHCA for a seal and pay the fee, rather than apply to TDHCA for a seal, pay the fee, and submit to TDHCA a copy of any written disclosure required under Section 1201.455(a).

SECTION 7. Repealers: (1) Section 1201.2055(f) (relating to notice of a real property election being perfected), Occupations Code; and

(2) Section 1201.206(d) (relating to filing of ownership application by seller), Occupations Code.

SECTION 8. Effective date: September 1, 2011.