By: HamiltonH.B. No. 1510Substitute the following for H.B. No. 1510:C.S.H.B. No. 1510By: DriverC.S.H.B. No. 1510

## A BILL TO BE ENTITLED

AN ACT

2 relating to the regulation of manufactured housing.

1

3

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections 1201.2055(d), (e), and (g), Occupations
Code, are amended to read as follows:

(d) 6 If an owner elects to treat a manufactured home as real 7 property, the department shall issue to the owner a certified copy of the statement of ownership and location that on its face reflects 8 that the owner has elected to treat the manufactured home as real 9 property at the location listed on the statement. Not later than 10 11 the 60th day after the date the department issues a certified copy 12 of the statement of ownership and location to the owner, the owner 13 must:

14 (1) file the certified copy in the real property 15 records of the county in which the home is located; and

16 (2) notify the department and the <u>chief appraiser of</u> 17 <u>the applicable appraisal district</u> [tax assessor-collector] that 18 the certified copy has been filed.

(e) A <u>real property election for a manufactured home is not</u> considered to be <u>perfected</u> [real property] until a certified copy of the statement of ownership and location has been filed and the department and the <u>chief appraiser of the applicable appraisal</u> <u>district</u> [tax assessor-collector] have been notified of the filing as provided by Subsection (d).

	C.S.H.B. No. 1510
1	(g) <u>After a real property election is perfected under</u>
2	Subsection (e):
3	(1) the home is considered to be real property for all
4	purposes; and
5	(2) no additional issuance of a statement of ownership
6	and location is required with respect to the manufactured home,
7	unless:
8	(A) the home is moved from the location specified
9	on the statement of ownership and location;
10	(B) the real property election is changed; or
11	(C) the use of the property is changed as
12	described by Section 1201.216 [After the department and the tax
13	assessor-collector note in their records that a real property
14	election has been perfected, the home is considered to be real
15	property for all purposes].
16	SECTION 2. Section 1201.207(c), Occupations Code, is
17	amended to read as follows:
18	(c) Except with respect to any change in use, servicing of a
19	loan on a manufactured home, release of a lien on a manufactured
20	home by an authorized lienholder, or change in ownership of a lien
21	on a manufactured home, but subject to Section 1201.2075, if the
22	department has issued a statement of ownership and location for a
23	manufactured home, the department may issue a subsequent statement
24	of ownership and location for the home only if all parties reflected
25	in the department's records as having an interest in the
26	manufactured home give their written consent or release their
27	interest, either in writing or by operation of law, or the

department has followed the procedures provided by Section 1 1201.206(k) to document ownership and lien status. Once the 2 department issues a statement of ownership and location, the 3 department may [shall] not alter the record of the ownership or lien 4 status, other than to change the record to accurately reflect the 5 proper owner's or lienholder's identity or to release a lien if an 6 authorized lienholder files with the department a request for that 7 8 release, of a manufactured home for any activity occurring before the issuance of the statement of ownership and location without 9 either the written permission of the owner of record for the 10 manufactured home, their legal representative, or a court order. 11

SECTION 3. Section 1201.2076(a), Occupations Code, is amended to read as follows:

(a) The department may not issue a statement of ownership and location for a manufactured home that is being converted from real property to personal property until the department has inspected the home and determined that it is habitable and [has notified the appropriate tax assessor-collector of the conversion and]:

20 (1) each lien, including a tax lien, on the home is21 released by the lienholder; or

(2) each lienholder, including a taxing unit, giveswritten consent, to be placed on file with the department.

24 SECTION 4. Section 1201.217(a), Occupations Code, is 25 amended to read as follows:

(a) The owner of real property on which a manufactured homeowned by another is located may declare the home abandoned as

1 provided by this section if:

2 (1) the home has been continuously unoccupied for at 3 least four months; and

4 (2) any indebtedness secured by the [manufactured] 5 home or related to a lease agreement between the owner of the real 6 property and the owner of the home is considered [also] delinquent.

SECTION 5. Section 1201.219, Occupations Code, is amended by adding Subsection (b-1) and amending Subsections (c) and (d) to read as follows:

10 (b-1) Notwithstanding any other law, a lien perfected with 11 the department may be released only by filing a request for the 12 release with the department on the form provided by the department 13 or by following the department's procedures for electronic lien 14 release on the department's Internet website. This subsection does 15 not apply to the release of a tax lien perfected with the 16 department.

(c) Notwithstanding any other provision of this <u>section</u> or any other law, the filing of a lien security agreement on the inventory of a retailer does not prevent a buyer in the ordinary course of business, as defined by Section 1.201, Business & Commerce Code, from acquiring good and marketable title free of that lien, and the department may not consider that lien for the purpose of title issuance.

(d) <u>A</u> [Except as provided by Subsection (a), a] tax lien on a manufactured home <u>not held in a retailer's inventory</u> is perfected only by filing with the department the notice of the tax lien on a form provided by the department in accordance with the requirements

1 of Chapter 32, Tax Code. The form must require the disclosure of the original dollar amount of the tax lien and the name and address 2 3 of the person in whose name the manufactured home is listed on the tax roll. The department shall disclose on its Internet website the 4 5 date of each tax lien filing, the original amount of the tax lien claimed by each filing, and the fact that the amount shown does not 6 include additional sums, including interest, penalties, 7 and 8 attorney's fees. The statement required by Section 1201.205(7) is notice to all persons that the tax lien exists. A tax lien recorded 9 10 with the department has priority over another lien or claim against the manufactured home. Tax liens shall be filed by the tax 11 12 collector for any taxing unit having the power to tax the manufactured home. A single filing by a tax collector is a filing 13 14 for all the taxing units for which the tax collector is empowered to 15 collect. A tax lien perfected with the department may be released only by filing with the department a tax certificate or tax paid 16 17 receipt in accordance with Section 32.015, Tax Code, by filing a request for the release with the department on the form provided by 18 19 the department, or by following the department's procedures for electronic tax lien release on the department's Internet website. 20

21 SECTION 6. Section 1201.220, Occupations Code, is amended 22 to read as follows:

23 Sec. 1201.220. REPORT TO <u>CHIEF APPRAISER</u> [COUNTY TAX 24 ASSESSOR-COLLECTOR]. [(a)] The department shall <u>make available in</u> 25 <u>electronic format, or in hard-copy format on request</u>, [provide] to 26 each <u>chief appraiser of an appraisal district</u> [county tax 27 assessor-collector] in this state a monthly report that, for each

1 manufactured home reported as having been installed <u>during the</u> 2 <u>preceding month</u> in the county <u>for which the district was</u> 3 <u>established</u> [during the preceding month] and for each manufactured 4 home previously installed in the county for which a transfer of 5 ownership was recorded by the issuance of a statement of ownership 6 and location during the preceding month, lists:

C.S.H.B. No. 1510

7

(1) the name of the owner of the home;

8 (2) the name of the manufacturer of the home, if9 available;

10 (3) the model designation of the home, if available; 11 (4) the identification number of each section or 12 module of the home;

13 (5) the address or location where the home was 14 reported as installed; and

15

27

(6) the reported date of the installation of the home.

16 [(b) The director shall provide a copy of the report to the 17 chief appraiser of the appraisal district established for the 18 county in which the home is reported as installed.]

SECTION 7. Section 1201.452(b), Occupations Code, is amended to read as follows:

(b) If the home does not have the appropriate seal or label, the person must:

23	(1)	apply to the department for a seal; <u>and</u>
24	(2)	pay the fee[ <del>; and</del>
25	[ <del>(3)</del>	submit to the department a copy of any written
26	disclosure requir	red under Section 1201.455(a)].

SECTION 8. The following sections of the Occupations Code

1	are repealed:
2	(1) Section 1201.2055(f); and
3	(2) Section 1201.206(d).
4	SECTION 9. This Act takes effect September 1, 2011.