

1-1 By: Hamilton (Senate Sponsor - Carona) H.B. No. 1510
1-2 (In the Senate - Received from the House March 31, 2011;
1-3 April 4, 2011, read first time and referred to Committee on
1-4 Business and Commerce; April 20, 2011, reported adversely, with
1-5 favorable Committee Substitute by the following vote: Yeas 8,
1-6 Nays 0; April 20, 2011, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR H.B. No. 1510 By: Carona

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to the regulation of manufactured housing.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Sections 1201.2055(d), (e), and (g), Occupations
1-13 Code, are amended to read as follows:

1-14 (d) If an owner elects to treat a manufactured home as real
1-15 property, the department shall issue to the owner a certified copy
1-16 of the statement of ownership and location that on its face reflects
1-17 that the owner has elected to treat the manufactured home as real
1-18 property at the location listed on the statement. Not later than
1-19 the 60th day after the date the department issues a certified copy
1-20 of the statement of ownership and location to the owner, the owner
1-21 must:

1-22 (1) file the certified copy in the real property
1-23 records of the county in which the home is located; and

1-24 (2) notify the department and the chief appraiser of
1-25 the applicable appraisal district [~~tax assessor-collector~~] that
1-26 the certified copy has been filed.

1-27 (e) A real property election for a manufactured home is not
1-28 considered to be perfected [~~real property~~] until a certified copy
1-29 of the statement of ownership and location has been filed and the
1-30 department and the chief appraiser of the applicable appraisal
1-31 district [~~tax assessor-collector~~] have been notified of the filing
1-32 as provided by Subsection (d).

1-33 (g) After a real property election is perfected under
1-34 Subsection (e):

1-35 (1) the home is considered to be real property for all
1-36 purposes; and

1-37 (2) no additional issuance of a statement of ownership
1-38 and location is required with respect to the manufactured home,
1-39 unless:

1-40 (A) the home is moved from the location specified
1-41 on the statement of ownership and location;

1-42 (B) the real property election is changed; or

1-43 (C) the use of the property is changed as
1-44 described by Section 1201.216 [~~After the department and the tax~~
1-45 ~~assessor-collector note in their records that a real property~~
1-46 ~~election has been perfected, the home is considered to be real~~
1-47 ~~property for all purposes].~~

1-48 SECTION 2. Section 1201.207(c), Occupations Code, is
1-49 amended to read as follows:

1-50 (c) Except with respect to any change in use, servicing of a
1-51 loan on a manufactured home, release of a lien on a manufactured
1-52 home by an authorized lienholder, or change in ownership of a lien
1-53 on a manufactured home, but subject to Section 1201.2075, if the
1-54 department has issued a statement of ownership and location for a
1-55 manufactured home, the department may issue a subsequent statement
1-56 of ownership and location for the home only if all parties reflected
1-57 in the department's records as having an interest in the
1-58 manufactured home give their written consent or release their
1-59 interest, either in writing or by operation of law, or the
1-60 department has followed the procedures provided by Section
1-61 1201.206(k) to document ownership and lien status. Once the
1-62 department issues a statement of ownership and location, the
1-63 department shall not alter the record of the ownership or lien

2-1 status, other than to change the record to accurately reflect the
2-2 proper owner's or lienholder's identity or to release a lien if an
2-3 authorized lienholder files with the department a request for that
2-4 release, of a manufactured home for any activity occurring before
2-5 the issuance of the statement of ownership and location without
2-6 either the written permission of the owner of record for the
2-7 manufactured home, their legal representative, or a court order.

2-8 SECTION 3. Section 1201.2076(a), Occupations Code, is
2-9 amended to read as follows:

2-10 (a) The department may not issue a statement of ownership
2-11 and location for a manufactured home that is being converted from
2-12 real property to personal property until the department has
2-13 inspected the home and determined that it is habitable and [~~has~~
2-14 ~~notified the appropriate tax assessor-collector of the conversion~~
2-15 ~~and~~]:

2-16 (1) each lien, including a tax lien, on the home is
2-17 released by the lienholder; or

2-18 (2) each lienholder, including a taxing unit, gives
2-19 written consent, to be placed on file with the department.

2-20 SECTION 4. Section 1201.217(a), Occupations Code, is
2-21 amended to read as follows:

2-22 (a) The owner of real property on which a manufactured home
2-23 owned by another is located may declare the home abandoned as
2-24 provided by this section if:

2-25 (1) the home has been continuously unoccupied for at
2-26 least four months; and

2-27 (2) any indebtedness secured by the [~~manufactured~~
2-28 ~~home or related to a lease agreement between the owner of the real~~
2-29 ~~property and the owner of the home is considered~~ [~~also~~] delinquent.

2-30 SECTION 5. Section 1201.219, Occupations Code, is amended
2-31 by adding Subsection (b-1) and amending Subsections (c) and (d) to
2-32 read as follows:

2-33 (b-1) Notwithstanding any other law, a lien perfected with
2-34 the department may be released only by filing a request for the
2-35 release with the department on the form provided by the department
2-36 or by following the department's procedures for electronic lien
2-37 release on the department's Internet website. This subsection does
2-38 not apply to the release of a tax lien perfected with the
2-39 department.

2-40 (c) Notwithstanding any other provision of this section or
2-41 any other law, the filing of a lien security agreement on the
2-42 inventory of a retailer does not prevent a buyer in the ordinary
2-43 course of business, as defined by Section 1.201, Business &
2-44 Commerce Code, from acquiring good and marketable title free of
2-45 that lien, and the department may not consider that lien for the
2-46 purpose of title issuance.

2-47 (d) A [~~Except as provided by Subsection (a), a~~] tax lien on a
2-48 manufactured home not held in a retailer's inventory is perfected
2-49 only by filing with the department the notice of the tax lien on a
2-50 form provided by the department in accordance with the requirements
2-51 of Chapter 32, Tax Code. The form must require the disclosure of
2-52 the original dollar amount of the tax lien and the name and address
2-53 of the person in whose name the manufactured home is listed on the
2-54 tax roll. The department shall disclose on its Internet website the
2-55 date of each tax lien filing, the original amount of the tax lien
2-56 claimed by each filing, and the fact that the amount shown does not
2-57 include additional sums, including interest, penalties, and
2-58 attorney's fees. The statement required by Section 1201.205(7) is
2-59 notice to all persons that the tax lien exists. A tax lien recorded
2-60 with the department has priority over another lien or claim against
2-61 the manufactured home. Tax liens shall be filed by the tax
2-62 collector for any taxing unit having the power to tax the
2-63 manufactured home. A single filing by a tax collector is a filing
2-64 for all the taxing units for which the tax collector is empowered to
2-65 collect. A tax lien perfected with the department may be released
2-66 only by filing with the department a tax certificate or tax paid
2-67 receipt in accordance with Section 32.015, Tax Code, by filing a
2-68 request for the release with the department on the form provided by
2-69 the department, or by following the department's procedures for

3-1 electronic tax lien release on the department's Internet website.
3-2 SECTION 6. Section 1201.220, Occupations Code, is amended
3-3 to read as follows:

3-4 Sec. 1201.220. REPORT TO CHIEF APPRAISER [COUNTY TAX
3-5 ASSESSOR-COLLECTOR]. [~~a~~] The department shall make available in
3-6 electronic format, or in hard-copy format on request, [provide] to
3-7 each chief appraiser of an appraisal district [county tax
3-8 assessor-collector] in this state a monthly report that, for each
3-9 manufactured home reported as having been installed during the
3-10 preceding month in the county for which the district was
3-11 established [during the preceding month] and for each manufactured
3-12 home previously installed in the county for which a transfer of
3-13 ownership was recorded by the issuance of a statement of ownership
3-14 and location during the preceding month, lists:

- 3-15 (1) the name of the owner of the home;
- 3-16 (2) the name of the manufacturer of the home, if
3-17 available;
- 3-18 (3) the model designation of the home, if available;
- 3-19 (4) the identification number of each section or
3-20 module of the home;
- 3-21 (5) the address or location where the home was
3-22 reported as installed; and
- 3-23 (6) the reported date of the installation of the home.

3-24 [~~b~~] ~~The director shall provide a copy of the report to the~~
3-25 ~~chief appraiser of the appraisal district established for the~~
3-26 ~~county in which the home is reported as installed.]~~

3-27 SECTION 7. Section 1201.452(b), Occupations Code, is
3-28 amended to read as follows:

3-29 (b) If the home does not have the appropriate seal or label,
3-30 the person must:

- 3-31 (1) apply to the department for a seal; and
- 3-32 (2) pay the fee[~~, and~~
- 3-33 [~~3~~] ~~submit to the department a copy of any written~~
3-34 ~~disclosure required under Section 1201.455(a)].~~

3-35 SECTION 8. The following sections of the Occupations Code
3-36 are repealed:

- 3-37 (1) Section 1201.2055(f); and
- 3-38 (2) Section 1201.206(d).

3-39 SECTION 9. This Act takes effect September 1, 2011.

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