Second Regular Session Seventieth General Assembly STATE OF COLORADO

INTRODUCED

LLS NO. 16-0648.01 Bob Lackner x4350

SENATE BILL 16-057

SENATE SPONSORSHIP

Kefalas, Ulibarri

Ginal and Tyler,

HOUSE SPONSORSHIP

Senate Committees State, Veterans, & Military Affairs

House Committees

A BILL FOR AN ACT

101	CONCERNING MOBILE HOME OWNERS WHO LEASE SPACE IN MOBILE
102	HOME PARKS, AND, IN CONNECTION THEREWITH, PROTECTING
103	THE MUTUAL PROPERTY RIGHTS OF MOBILE HOME OWNERS AND
104	THE OWNERS OF MOBILE HOME PARKS.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <u>http://www.leg.state.co.us/billsummaries.</u>)

Section 1 of the bill grants new powers to the division of housing within the department of local affairs (division) in connection with the promotion of the mutual interests of landlords and home owners within mobile home parks, pursuant to its statutory authority and subject to available appropriations. These powers include:

- ! Safeguarding and promoting the mutual interests of management or landlords and home owners;
- Collecting economic and demographic data annually about mobile home parks across the state, including vacancy and rental survey data, data concerning landlord-home owner disputes over alleged violations of the "Mobile Home Park Act" (act), demographic data about home owners within mobile home parks, including income levels, ages, and racial and ethnic identities, and proscribing the form of collection of such data that may include partnering with academia, the private sector, and nonprofit organizations;
 Providing continuing educational opportunities for
- Providing continuing educational opportunities for landlords of, and home owners within, mobile home parks concerning their respective rights and responsibilities under the law and under any other applicable laws of the state in addition to, without limitation, information concerning the formation of home owner associations and resident-owned communities;
- ! Administering programs established by the state that are intended to safeguard and promote the maintenance, development, and success of mobile home parks across the state;
- ! Fostering collaboration with local governments; and
- ! Creating and administering a dispute resolution program that will provide landlords and home owners with a cost-effective and time-efficient process to resolve disputes concerning alleged violations of the act. The bill requires the division to create the dispute resolution program by July 1, 2017.

Section 1 of the bill further requires the division to maintain for public dissemination a list of local government agencies and community-based nonprofit organizations that are created and empowered to mediate disputes between or among landlords, management, and home owners within mobile home parks. The list must be made publicly available on the website of the division.

Sections 4 and 5 of the bill make changes to the act as follows:

! Section 4 requires the management of a mobile home park to adopt reasonable written rules and regulations concerning all home owners' use and occupancy of the premises. The bill further specifies that such rules and regulations are deemed to be unreasonable and unenforceable against a home owner unless the management is able to establish that the rules satisfy a number of criteria specified in the act.

In any controversy between the management and a home owner of a mobile home park arising out of the act, except for the nonpayment of rent or in cases in which the health or safety of other home owners is in imminent danger, section 5 requires the parties to submit to either mediation or another form of alternative dispute resolution prior to the filing of a forcible entry and detainer lawsuit. The choice of alternative dispute resolution methods is dependent upon agreement of the parties.

1 Be it enacted by the General Assembly of the State of Colorado:

2 SECTION 1. In Colorado Revised Statutes, add 24-32-725 as
3 follows:

4 24-32-725. Promotion of mutual interests of landlords and 5 home owners - mobile home parks - data collection - dispute 6 resolution - other duties of division - legislative declaration -7 **definitions.** (1) (a) THE GENERAL ASSEMBLY HEREBY FINDS, DETERMINES, 8 AND DECLARES THAT IT IS THE POLICY OF THE STATE TO COLLABORATE 9 WITH THE PRIVATE SECTOR TO PRESERVE AND DEVELOP AFFORDABLE 10 HOUSING AND THAT MOBILE HOMES, MANUFACTURED HOUSING, AND 11 FACTORY-BUILT HOUSING CONSTITUTE IMPORTANT AND EFFECTIVE 12 RESOURCES TO MEET COLORADO'S AFFORDABLE HOUSING NEEDS. BY 13 ENACTING THIS SECTION, THE GENERAL ASSEMBLY INTENDS TO ENHANCE 14 THE QUALITY AND STABILITY OF MOBILE HOME PARKS, TO STRENGTHEN 15 THE MANUFACTURED HOME INDUSTRY, TO ESTABLISH ALTERNATIVE 16 DISPUTE RESOLUTION PROCESSES, TO COLLECT AND ANALYZE RELEVANT 17 DATA, AND TO SUPPORT RESIDENT OWNERSHIP OF MOBILE HOME PARKS AS 18 APPROPRIATE

(b) BY ENACTING THIS SECTION, IT IS THE INTENT OF THE GENERAL
ASSEMBLY TO PROVIDE AN EQUITABLE AS WELL AS A LESS COSTLY AND

MORE EFFICIENT WAY FOR LANDLORDS, MANAGEMENT, AND HOME
 OWNERS TO RESOLVE DISPUTES THAT MAY ARISE BETWEEN OR AMONG
 THEM.

4 (c) THIS SECTION IS TO BE LIBERALLY CONSTRUED TO ACCOMPLISH
5 THE LEGISLATIVE INTENT EXPRESSED HEREIN.

6 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
7 REQUIRES:

8 (a) "ACT" MEANS THE "MOBILE HOME PARK ACT", PART 2 OF
9 ARTICLE 12 OF TITLE 38, C.R.S.

10 (b) "HOME OWNER" HAS THE SAME MEANING AS IN SECTION
11 38-12-201.5 (1), C.R.S.

12 (c) "MANAGEMENT" OR "LANDLORD" HAS THE SAME MEANING AS
13 IN SECTION 38-12-201.5 (1.5), C.R.S.

14 (d) "MOBILE HOME PARK" HAS THE SAME MEANING AS IN SECTION
15 38-12-201.5 (3), C.R.S.

16 (3) PURSUANT TO ITS STATUTORY AUTHORITY AND SUBJECT TO
17 AVAILABLE APPROPRIATIONS, AND IN CONNECTION WITH ITS
18 RESPONSIBILITIES UNDER THIS SECTION, THE DIVISION HAS THE FOLLOWING
19 POWERS AND DUTIES, WITHOUT LIMITATION:

20 (a) TO SAFEGUARD AND PROMOTE THE MUTUAL INTERESTS OF
21 MANAGEMENT OR LANDLORDS AND HOME OWNERS;

(b) For the purpose of understanding trends affecting
MANUFACTURED HOUSING AND MOBILE HOME PARKS, TO COLLECT
ECONOMIC AND DEMOGRAPHIC DATA ANNUALLY ABOUT MOBILE HOME
PARKS ACROSS THE STATE, INCLUDING VACANCY AND RENTAL SURVEY
DATA, DATA CONCERNING LANDLORD-HOME OWNER DISPUTES OVER
ALLEGED VIOLATIONS OF THE ACT, DEMOGRAPHIC DATA ABOUT HOME

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OWNERS WITHIN MOBILE HOME PARKS, INCLUDING INCOME LEVELS, AGES,
 AND RACIAL AND ETHNIC IDENTITIES, AND TO PROSCRIBE THE FORM OF
 COLLECTION OF SUCH DATA THAT INCLUDES PARTNERING WITH ACADEMIA,
 THE PRIVATE SECTOR, AND NONPROFIT ORGANIZATIONS;

5 (c) TO PROVIDE CONTINUING EDUCATIONAL OPPORTUNITIES FOR 6 LANDLORDS OF, AND HOME OWNERS WITHIN, MOBILE HOME PARKS 7 CONCERNING THEIR RESPECTIVE RIGHTS AND RESPONSIBILITIES UNDER THE 8 ACT, THIS PART 7, AND UNDER ANY OTHER APPLICABLE LAWS OF THE 9 STATE IN ADDITION TO, WITHOUT LIMITATION, INFORMATION CONCERNING 10 THE FORMATION OF HOME OWNER ASSOCIATIONS AND RESIDENT-OWNED 11 COMMUNITIES;

12 (d) TO ADMINISTER PROGRAMS ESTABLISHED BY THE STATE THAT
13 ARE INTENDED TO SAFEGUARD AND PROMOTE THE MAINTENANCE,
14 DEVELOPMENT, AND SUCCESS OF MOBILE HOME PARKS ACROSS THE STATE;
15 (e) TO FOSTER COLLABORATION WITH LOCAL GOVERNMENTS TO
16 BETTER ACHIEVE THE PURPOSES OF THIS SECTION; AND

17 (f) TO CREATE AND ADMINISTER THE DISPUTE RESOLUTION18 PROGRAM IN ACCORDANCE WITH SUBSECTION (4) OF THIS SECTION.

(4) (a) NOT LATER THAN JULY 1, 2017, THE DIVISION SHALL
CREATE BY RULE IN ACCORDANCE WITH ARTICLE 4 OF THIS TITLE A
DISPUTE RESOLUTION PROGRAM THAT WILL PROVIDE LANDLORDS AND
HOME OWNERS WITH A COST-EFFECTIVE AND TIME-EFFICIENT PROCESS TO
RESOLVE DISPUTES CONCERNING ALLEGED VIOLATIONS OF THE ACT.

(b) THE PROGRAM REQUIRED BY PARAGRAPH (a) OF THIS
subsection (4) MUST ADDRESS SUCH MATTERS AS ARE APPROPRIATE FOR
INCLUSION IN A DISPUTE RESOLUTION PROGRAM THAT WILL BEST FULFILL
THE INTENT OF THIS SECTION.

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1 (c) IN ADDITION TO ITS DUTIES UNDER SUBSECTION (3) OF THIS 2 SECTION, THE DIVISION SHALL ALSO MAINTAIN FOR PUBLIC DISSEMINATION 3 A LIST OF LOCAL GOVERNMENT AGENCIES AND COMMUNITY-BASED 4 NONPROFIT ORGANIZATIONS THAT ARE CREATED AND EMPOWERED TO 5 MEDIATE DISPUTES BETWEEN OR AMONG LANDLORDS, MANAGEMENT, AND 6 HOME OWNERS WITHIN MOBILE HOME PARKS. THE LIST REQUIRED BY THIS 7 PARAGRAPH (c) MUST BE MADE PUBLICLY AVAILABLE ON THE WEBSITE OF 8 THE DIVISION.

9 SECTION 2. In Colorado Revised Statutes, 24-32-705, add (1)
10 (u) as follows:

11 24-32-705. Functions of division - repeal. (1) The division has
12 the following functions:

(u) PURSUANT TO ITS STATUTORY AUTHORITY AND SUBJECT TO
AVAILABLE APPROPRIATIONS, TO PERFORM THE POWERS AND DUTIES
DELEGATED TO IT UNDER SECTION 24-32-725, AND TO GENERALLY
ADMINISTER SAID SECTION IN A MANNER THAT PROMOTES THE
LEGISLATIVE INTENT SPECIFIED IN SECTION 24-32-725 (1).

18 SECTION 3. In Colorado Revised Statutes, amend 38-12-201.3
19 as follows:

20 **38-12-201.3.** Legislative declaration - increased availability of 21 **mobile home parks.** (1) The general assembly hereby finds and declares 22 that mobile homes, manufactured housing, and factory-built housing are 23 important and effective ways to meet Colorado's affordable housing 24 needs. The general assembly further finds and declares that, because of 25 the unique aspects of mobile homes and mobile home park ownership, 26 there is a need to protect mobile home owners from eviction with short 27 notice so as to prevent mobile home owners from losing their shelter as

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well as any equity in their mobile homes. The general assembly encourages local governments to allow and protect mobile home parks in their jurisdictions and to enact plans to increase the number of mobile home parks in their jurisdictions. The general assembly further encourages local governments to provide incentives to mobile home park owners to attract additional mobile home parks and to increase the viability of current parks.

8 (2) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT 9 IT IS THE POLICY OF THE STATE TO PRESERVE AFFORDABLE HOUSING, 10 ENHANCE THE QUALITY AND STABILITY OF MOBILE HOME PARKS, AND 11 FOSTER THE COMMITMENT TO SOCIETY THAT COMES THROUGH HOME 12 OWNERSHIP AND SELF-GOVERNANCE.

13 (3) THIS PART 2 SHALL BE LIBERALLY CONSTRUED TO ACCOMPLISH
14 THE LEGISLATIVE INTENT EXPRESSED IN SUBSECTIONS (1) AND (2) OF THIS
15 SECTION.

SECTION 4. In Colorado Revised Statutes, amend 38-12-214 as
 follows:

38-12-214. Rules and regulations. (1) The management shall
adopt REASONABLE written rules and regulations concerning all home
owners' use and occupancy of the premises. Such rules and regulations
are enforceable against a home owner only if DEEMED TO BE
UNREASONABLE AND UNENFORCEABLE AGAINST A HOME OWNER UNLESS
THE MANAGEMENT IS ABLE TO ESTABLISH THAT:

(a) Their purpose is to promote the convenience, safety, or welfare
of the home owners, protect and preserve the premises from abusive use,
or make a fair distribution of services and facilities held out for the home
owners generally;

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(b) They are reasonably related to the purpose for which they are
 adopted;

3

- (c) They are not retaliatory or discriminatory in nature; AND
- 4 (d) They are sufficiently explicit in prohibition, direction, or
 5 limitation of the home owner's conduct to fairly inform him of what he
 6 must or must not do to comply.

7 SECTION 5. In Colorado Revised Statutes, 38-12-216, amend
8 (1) as follows:

9 **38-12-216.** Mediation, when permitted - court actions. (1) In 10 any controversy between the management and a home owner of a mobile 11 home park arising out of the provisions of this part 2, except for the 12 nonpayment of rent or in cases in which the health or safety of other 13 home owners is in imminent danger, such controversy may MUST be 14 submitted to EITHER mediation OR ANOTHER FORM OF ALTERNATIVE 15 DISPUTE RESOLUTION by either party prior to the filing of a forcible entry 16 and detainer lawsuit, WHICH CHOICE OF ALTERNATIVE DISPUTE 17 RESOLUTION METHODS IS DEPENDENT upon agreement of the parties.

18 SECTION 6. Act subject to petition - effective date. This act 19 takes effect at 12:01 a.m. on the day following the expiration of the 20 ninety-day period after final adjournment of the general assembly (August 21 10, 2016, if adjournment sine die is on May 11, 2016); except that, if a 22 referendum petition is filed pursuant to section 1 (3) of article V of the 23 state constitution against this act or an item, section, or part of this act 24 within such period, then the act, item, section, or part will not take effect 25 unless approved by the people at the general election to be held in 26 November 2016 and, in such case, will take effect on the date of the 27 official declaration of the vote thereon by the governor.

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