



## 98TH GENERAL ASSEMBLY

### State of Illinois

### 2013 and 2014

### SB2867

Introduced 2/4/2014, by Sen. Toi W. Hutchinson

#### SYNOPSIS AS INTRODUCED:

765 ILCS 745/3 from Ch. 80, par. 203  
765 ILCS 745/6.5  
765 ILCS 745/8.6 new  
765 ILCS 745/8.7 new  
765 ILCS 745/8.8 new  
765 ILCS 745/8.9 new

Amends the Manufactured Home Landlord Tenant Rights Act. Defines "manufactured home owner" and "displaced manufactured home owner". Creates the Manufactured Home Owners Relocation Trust Fund. Provides procedures to pay a manufactured home owner displaced by a community closure and provides for required payments from a manufactured home community owner to a displaced manufactured home owner and to the Manufactured Home Owners Relocation Trust Fund. Provides that the Manufactured Home Owners Relocation Trust Fund shall be used to provide assistance for the relocation of displaced manufactured home owners and for other purposes. Makes other changes.

LRB098 19535 HEP 54713 b

CORRECTIONAL  
BUDGET AND  
IMPACT NOTE ACT  
MAY APPLY

FISCAL NOTE ACT  
MAY APPLY

1 AN ACT concerning civil law.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Manufactured Home Landlord and Tenant Rights  
5 Act is amended by changing Sections 3 and 6.5 and by adding  
6 Sections 8.6, 8.7, 8.8, and 8.9 as follows:

7 (765 ILCS 745/3) (from Ch. 80, par. 203)

8 Sec. 3. Definitions. Unless otherwise expressly defined,  
9 all terms in this Act shall be construed to have their  
10 ordinarily accepted meanings or such meaning as the context  
11 therein requires.

12 (a) "Person" means any legal entity, including but not  
13 limited to, an individual, firm, partnership, association,  
14 trust, joint stock company, corporation or successor of any of  
15 the foregoing.

16 (b) "Manufactured home" means a factory-assembled,  
17 completely integrated structure designed for permanent  
18 habitation, with a permanent chassis, and so constructed as to  
19 permit its transport, on wheels temporarily or permanently  
20 attached to its frame, and is a movable or portable unit that  
21 is (i) 8 body feet or more in width, (ii) 40 body feet or more  
22 in length, and (iii) 320 or more square feet, constructed to be  
23 towed on its own chassis (comprised of frame and wheels) from

1 the place of its construction to the location, or subsequent  
2 locations, at which it is installed and set up according to the  
3 manufacturer's instructions and connected to utilities for  
4 year-round occupancy for use as a permanent habitation, and  
5 designed and situated so as to permit its occupancy as a  
6 dwelling place for one or more persons. The term shall include  
7 units containing parts that may be folded, collapsed, or  
8 telescoped when being towed and that may be expected to provide  
9 additional cubic capacity, and that are designed to be joined  
10 into one integral unit capable of being separated again into  
11 the components for repeated towing. The term excludes campers  
12 and recreational vehicles.

13 (c) "Mobile Home Park", "community", "manufactured home  
14 community", or "community" or "Park" means a tract of land or 2  
15 contiguous tracts of land that contain sites with the necessary  
16 utilities for 5 or more mobile homes or manufactured homes. A  
17 mobile home park may be operated either free of charge or for  
18 revenue purposes.

19 (d) "Park Owner" or "community owner" means the owner of a  
20 mobile home park and any person authorized to exercise any  
21 aspect of the management of the premises, including any person  
22 who directly or indirectly receives rents and has no obligation  
23 to deliver the whole of such receipts to another person.

24 (e) "Tenant" means any person who occupies a mobile home  
25 rental unit for dwelling purposes or a lot on which he parks a  
26 mobile home for an agreed upon consideration.

1 (f) "Rent" means any money or other consideration given for  
2 the right of use, possession and occupancy of property, be it a  
3 lot, a mobile home, or both.

4 (g) "Master antenna television service" means any and all  
5 services provided by or through the facilities of any closed  
6 circuit coaxial cable communication system, or any microwave or  
7 similar transmission services other than a community antenna  
8 television system as defined in Section 11-42-11 of the  
9 Illinois Municipal Code.

10 (h) "Manufactured home owner" means the owner of a  
11 manufactured home.

12 (i) "Displaced manufactured home owner" means the owner of  
13 a manufactured home which is located on a site in a  
14 manufactured home community that is ceasing operation as  
15 described in Section 8.6.

16 (Source: P.A. 96-1477, eff. 1-1-11.)

17 (765 ILCS 745/6.5)

18 Sec. 6.5. Disclosure. A park owner must disclose in writing  
19 the following with every lease or sale and upon renewal of a  
20 lease of a mobile home or lot in a mobile home park:

21 (1) the rent charged for the mobile home or lot in the  
22 past 5 years;

23 (2) the community ~~park~~ owner's responsibilities with  
24 respect to the mobile home or lot;

25 (3) information regarding any fees imposed in addition

1 to the base rent;

2 (4) information regarding late payments;

3 (5) information regarding any privilege tax that is  
4 applicable;

5 (6) information regarding security deposits, including  
6 the right to the return of security deposits and interest  
7 as provided in Section 18 of this Act; ~~and~~

8 (7) information on a 3-year rent increase projection  
9 which includes the 2 years of the lease and the year  
10 immediately following. The basis for such rent increases  
11 may be a fixed amount, a "not to exceed" amount, a formula,  
12 an applicable index, or a combination of these  
13 methodologies as elected by the park owner. These increases  
14 may be in addition to all the non-controllable expenses  
15 including, but not limited to, property taxes, government  
16 assessments, utilities, and insurance;

17 (8) the name, address, and telephone number of the  
18 owner and any manager of the manufactured home community;  
19 and

20 (9) information regarding the Manufactured Home Owners  
21 Relocation Trust Fund.

22 The park owner must update the written disclosure at least  
23 once per year. The park owner must advise tenants who are  
24 renewing a lease of any changes in the disclosure from any  
25 prior disclosure.

26 (Source: P.A. 95-383, eff. 1-1-08.)

1 (765 ILCS 745/8.6 new)

2 Sec. 8.6. Cessation of community operation.

3 (a) The owner of a manufactured home community that is  
4 ceasing operation must pay 50% of the following sums to the  
5 Manufactured Home Owners Relocation Trust Fund:

6 (1) the relocation expense allowance under Section 8.8  
7 of this Act; and

8 (2) at the displaced manufactured home owner's  
9 election, the relocation costs to relocate the  
10 manufactured home as defined by subsection (b) of this  
11 Section, or the payment for an abandoned home as defined by  
12 Section 8.8 of this Act.

13 (b) Relocation costs shall include the costs of  
14 disconnecting and moving the home to a different community or  
15 other location selected by the displaced manufactured home  
16 owner within a 100 mile radius of the community and  
17 reconnecting the home with all hook-ups so that it is  
18 substantially in the same condition as before the move, with  
19 any required and comparable appurtenances.

20 (c) The appraised value of the manufactured home shall be  
21 the fair market value of the home and any existing  
22 appurtenances but excluding the value of the underlying land,  
23 determined by an independent appraiser agreed to by the  
24 community owner and the displaced manufactured home owner. In  
25 making the determination, the appraiser shall assess the fair

1 market value based on the price that a willing and able buyer  
2 intending to reside in the home would pay for the home and any  
3 existing appurtenances, but excluding the value of the  
4 underlying land, and shall assume that the home is and will  
5 continue to be located on a lot which is leased in a duly  
6 licensed manufactured home community, with all hook-ups and  
7 existing appurtenances in place for use and occupancy by the  
8 resident.

9 (d) A displaced manufactured home owner shall not be  
10 entitled to compensation when:

11 (1) the community owner moves the manufactured home to  
12 another space in the manufactured home community, or to  
13 another manufactured home community acceptable to the  
14 displaced manufactured home owner, at the community  
15 owner's expense;

16 (2) the displaced manufactured home owner is vacating  
17 the premises and has informed the community owner or  
18 manager before notice of the change in use has been given;  
19 or

20 (3) the displaced manufactured home owner or the person  
21 residing in the manufactured home is the defendant in a  
22 pending eviction action for non-payment of lot rent on the  
23 mailing date of the notice of community closure; provided  
24 that if a judgment for possession of the premises is not  
25 entered in favor of the community owner, this exception  
26 does not apply.

1       (e) The owner of a manufactured home community shall notify  
2 in writing each tenant and, if a home owners association has  
3 been established, the directors of the association, of any  
4 application for a change in zoning of all or a portion of the  
5 manufactured home community within 5 days after the filing for  
6 such a zoning change with the zoning authority. The tenants are  
7 entitled to all rights under State and local zoning laws,  
8 rules, and regulations that are extended to owners of  
9 neighboring land. Any zoning change approved without the notice  
10 required by this Section is void.

11       (f) The closure statement in the community closure notice  
12 required by Section 8.5 of this Act must include the following  
13 language in a font no smaller than 14-point: "YOU MAY BE  
14 ENTITLED TO COMPENSATION FROM THE MANUFACTURED HOME RELOCATION  
15 TRUST FUND ADMINISTERED BY THE ILLINOIS DEPARTMENT OF PUBLIC  
16 HEALTH."

17       (765 ILCS 745/8.7 new)

18       Sec. 8.7. Manufactured Home Owners Relocation Trust Fund.

19       (a) There is created the Manufactured Home Relocation Trust  
20 Fund. The Illinois Department of Public Health shall use the  
21 Manufactured Home Owners Relocation Trust Fund to provide  
22 assistance for the relocation of displaced manufactured home  
23 owners. All interest earned from the investment or deposit of  
24 moneys in the Manufactured Home Owners Relocation Trust Fund  
25 must be deposited into the Fund.



1       (b) Moneys in the Manufactured Home Owners Relocation Trust  
2 Fund may be used only:

3           (1) to pay the administrative costs of the Fund,  
4 including expenses associated with the annual audit  
5 required under subsection (g) of this Section; and

6           (2) to carry out the objectives of assisting displaced  
7 manufactured home owners when the community owner intends  
8 to change the use of all or part of the land on which the  
9 manufactured home community is located.

10       (c) After notifying the tenants in a community owner's  
11 manufactured home community that the community owner intends to  
12 cease operation of all or part of the community pursuant to  
13 Section 8.5 of this Act, if the community owner does not cease  
14 operation of all or the designated part of the community within  
15 3 years after the date of the notification, or if the Illinois  
16 Department of Public Health finds there is prima facie evidence  
17 that the owner did not intend in good faith to change the land  
18 use, the community owner shall, within 30 days of the date that  
19 the Illinois Department of Public Health provides written  
20 notice to the community owner of the prima facie evidence  
21 determination, reimburse the Manufactured Home Relocation  
22 Trust Fund whatever moneys the Department has expended from the  
23 Manufactured Home Owners Relocation Trust Fund with respect to  
24 that manufactured home community, along with an amount that is  
25 equal to 2 times the amount of the interest allowed on a  
26 judgment that would have been earned on the moneys expended in

1 the period between the time that the moneys were expended from  
2 the Manufactured Home Relocation Trust Fund until the amount is  
3 reimbursed. The date of the mailing of the notice of the prima  
4 facie evidence determination by the Illinois Department of  
5 Public Health is deemed to be the date that a community owner  
6 is notified about reimbursing the Manufactured Home Relocation  
7 Trust Fund. However, if the community owner, with due  
8 diligence, has not been able to complete the change-in-use  
9 process within 3 years, the Illinois Department of Public  
10 Health may grant a reasonable extension to the community owner  
11 to complete the process.

12 (d) The cap on the Manufactured Home Owners Relocation  
13 Trust Fund is \$10 million. The cap may be adjusted, eliminated,  
14 or reinstated by the Illinois Department of Public Health.

15 (e) If the Manufactured Home Owners Relocation Trust Fund  
16 ceases to exist, the moneys in the Manufactured Home Owners  
17 Relocation Trust Fund held at the time of dissolution must be  
18 liquidated by paying the total amount of the Manufactured Home  
19 Owners Relocation Trust Fund, on a per capita basis, to each  
20 tenant of a rented lot in a manufactured home community in this  
21 State who has occupied the lot for at least the 12 months  
22 immediately prior to the time of the dissolution.

23 (f) Monthly fee.

24 (1) The Illinois Department of Public Health shall set  
25 a \$1 monthly fee for deposit in the Manufactured Home  
26 Owners Relocation Trust Fund for each rented lot in a

1 manufactured home community. The Illinois Department of  
2 Public Health may adjust, eliminate, or reinstate the  
3 assessment, and shall notify community owners and tenants  
4 of each adjustment, elimination, or reinstatement pursuant  
5 to rules. If the Illinois Department of Public Health  
6 adjusts the amount of the assessment upward, it may not  
7 exceed \$3 per month.

8 (2) The community owner shall collect the tenant's  
9 portion of the fee on a monthly basis as additional rent.  
10 The community owner shall remit to the Manufactured Home  
11 Owners Relocation Trust Fund the tenant's fee on a monthly  
12 basis. The community owner is responsible for safeguarding  
13 all assessments it collects. A fee is not due or  
14 collectable for a vacant lot.

15 (3) If a lot is rented for any portion of a month, the  
16 full monthly assessment must be paid to the Manufactured  
17 Home Owners Relocation Trust Fund.

18 (4) If a lease contains or is subject to a capping  
19 provision which limits the amount by which rent may be  
20 increased, the Manufactured Home Owners Relocation Trust  
21 Fund assessment is deemed not to be rent for purposes of  
22 rent increases.

23 (g) The Manufactured Home Owners Relocation Trust Fund must  
24 be audited annually. If the State Auditor performs the audit,  
25 the Manufactured Home Owners Relocation Trust Fund shall pay to  
26 the State from the Fund the cost of the audit. The completed

1 audit must be made available to the public by placing it on a  
2 website, by offering it as a hard copy for a fee which reflects  
3 reasonable reproduction cost, or in some other manner  
4 determined by the Illinois Department of Public Health.

5 (h) The Illinois Department of Public Health shall make  
6 available to the public, at least on a quarterly basis, the  
7 amount of the payment from the Manufactured Home Owners  
8 Relocation Trust Fund made to each displaced manufactured home  
9 owner, along with a description of the property related to the  
10 payment and the reason for the payment.

11 (i) The Illinois Department of Public Health may place a  
12 lien against the property of any community owner who is  
13 required to make any payment to the Manufactured Home Owners  
14 Relocation Trust Fund but fails to do so.

15 (765 ILCS 745/8.8 new)

16 Sec. 8.8. Relocation expense payments.

17 (a) If a community owner elects to cease the operation of  
18 either all or a portion of the manufactured home community,  
19 each displaced manufactured home owner who is required to  
20 relocate and who complies with the requirements of this Act is  
21 entitled to:

22 (1) payment from the Manufactured Home Owners  
23 Relocation Trust Fund a relocation expense allowance in the  
24 amount of \$1,000 to cover the costs of suitable lodging  
25 while the manufactured home owner is relocating and the

1 costs of security deposits and other moving expenses,  
2 payable to the displaced manufactured home owner no later  
3 than the time of departure of the displaced manufactured  
4 home owner from the manufactured home community; and

5 (2) at the displaced manufactured home owner's  
6 election, the displaced manufactured home owner's actual  
7 relocation costs as defined by Section 8.6 of this Act,  
8 which shall be paid as provided in subsection (e) of this  
9 Section, or the amount for an abandoned home provided by  
10 subsections (b) and (c) of this Section, which shall be  
11 paid as provided in subsection (b) of this Section.

12 (b) If a displaced manufactured home owner elects not to  
13 receive payment of relocation costs under subsection (a) of  
14 this Section, the displaced manufactured home owner may abandon  
15 the manufactured home in the manufactured home community and  
16 receive from the Manufactured Home Owners Relocation Trust Fund  
17 the greater of:

18 (1) the appraised value of the home as defined by  
19 Section 8.6 of this Act;

20 (2) \$3,500 for a single-section home or \$7,500 for a  
21 multi-section home; or

22 (3) the amount necessary to release any security  
23 interest in the home that was created in connection with a  
24 bona fide financing or refinancing of the home.

25 To be entitled to payment under paragraphs (1) or (2) of  
26 this subsection, the displaced manufactured home owner must

1 deliver to the Illinois Department of Public Health a current  
2 title to the manufactured home duly endorsed by the owner or  
3 owners of record, valid releases of all liens shown on the  
4 title, and a tax release. Payment shall be made directly to the  
5 displaced manufactured home owner. When payment is made under  
6 paragraph (3) of this subsection, the Illinois Department of  
7 Public Health shall make the payment directly to the lien  
8 holder and shall make appropriate arrangements to obtain the  
9 title endorsed by the owner or owners of record with valid  
10 releases of all other liens shown on the title and a tax  
11 release. After receiving the title from the home owner, the  
12 Illinois Department of Public Health shall turn over title of  
13 the abandoned manufactured home to the manufactured home  
14 community owner, provided that the community owner has made the  
15 payments required by Section 8.6 of this Act. If the Illinois  
16 Department of Public Health believes that the home has resale  
17 value, it may require the manufactured home community owner to  
18 turn over to the Manufactured Home Owners Relocation Trust Fund  
19 one-half of the net proceeds from the sale of the home.

20 (c) The figures for single-section and multi-section  
21 manufactured homes under paragraph (2) of subsection (b) of  
22 this Section shall be adjusted every 3 years, beginning on  
23 January 1, 2016, by the percentage change since the figure was  
24 last set or adjusted in the Consumer Price Index for All Urban  
25 Consumers for all items published by the United States  
26 Department of Labor.

1       (d) In order to obtain payment from the Manufactured Home  
2 Owners Relocation Trust Fund for the relocation of a  
3 manufactured home under paragraph (2) of subsection (a) of this  
4 Section, a displaced manufactured home owner must submit to the  
5 Illinois Department of Public Health, with a copy to the park  
6 owner, an application for payment which includes:

7           (1) a copy of the community closure notice required by  
8 Section 8.5 of this Act; and

9           (2) a contract with a licensed moving and installer  
10 contractor for the moving expenses for the manufactured  
11 home.

12       (e) The Illinois Department of Public Health shall approve  
13 or reject payment to a moving or towing contractor within 30  
14 days after receipt of the information required by this Section,  
15 and forward a copy of the approval or rejection to the  
16 displaced manufactured home owner, with a voucher for payment  
17 if payment is approved.

18       (765 ILCS 745/8.9 new)

19       Sec. 8.9. Payment of funds to homeowners.

20       (a) When a payment from the Manufactured Home Owners  
21 Relocation Trust Fund to a displaced manufactured home owner is  
22 authorized by the Illinois Department of Public Health, the  
23 Illinois Department of Public Health shall issue a check in a  
24 designated amount to the named displaced manufactured home  
25 owner.

1       (b) If the Manufactured Home Owners Relocation Trust Fund  
2       does not have sufficient moneys to make a payment to a  
3       displaced manufactured home owner pursuant to this Act, the  
4       Illinois Department of Public Health shall issue a written  
5       promissory note to the displaced manufactured home owner for  
6       funds due and owing. A promissory note may be redeemed in order  
7       of issuance of the notes as additional moneys come into the  
8       Manufactured Home Owners Relocation Trust Fund.

9       (c) It is a Class A misdemeanor for a displaced  
10       manufactured home owner or his or her agent to file any notice,  
11       statement, or other document required under this Act which is  
12       false or contains a material misstatement of fact.

13       Section 97. Severability. The provisions of this Act are  
14       severable under Section 1.31 of the Statute on Statutes.