THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 805

Session of 2023

INTRODUCED BY HANBIDGE, CERRATO, CIRESI, SANCHEZ, MADDEN, HOWARD, BURGOS, FLEMING, NEILSON, FREEMAN, OTTEN, N. NELSON AND GILLEN, APRIL 3, 2023

REFERRED TO COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT, APRIL 3, 2023

AN ACT

- 1 Amending the act of November 24, 1976 (P.L.1176, No.261),
- entitled "An act providing for the rights and duties of
- manufactured home owners or operators and manufactured home
- lessees," providing for rent increases.
- 5 The General Assembly of the Commonwealth of Pennsylvania
- 6 hereby enacts as follows:
- 7 Section 1. The act of November 24, 1976 (P.L.1176, No.261),
- 8 known as the Manufactured Home Community Rights Act, is amended
- 9 by adding a section to read:
- 10 <u>Section 6.1. Rent Increases.--(a) A manufactured home</u>
- 11 community owner shall:
- 12 (1) Post any proposed rent increase in a public area within
- 13 the manufactured home community at least 180 days prior to the
- 14 <u>effective date of the rent increase.</u>
- 15 (2) Notify the manufactured home residents and manufactured
- 16 home tenants of any proposed rent increase by certified mail or
- 17 <u>hand flyer at their residences 180 days prior to the effective</u>
- 18 date of the rent increase.

- 1 (b) If the proposed rent increase is higher than the most
- 2 recent annual cost-of-living adjustment calculated by the United
- 3 States Bureau of Labor Statistics using the percentage change in
- 4 the Consumer Price Index for All Urban Consumers (CPI-U) for
- 5 Pennsylvania, a manufactured home resident or manufactured home
- 6 tenant may begin proceedings before a magisterial district judge
- 7 to review the rent increase within 180 days of the effective
- 8 <u>date of the proposed rent increase.</u>
- 9 (c) If a magisterial district judge determines that the rent
- 10 increase is unreasonable, the magisterial district judge may set
- 11 the rent increase at or below the most recent annual cost-of-
- 12 <u>living adjustment calculated by the United States Bureau of</u>
- 13 Labor Statistics using the percentage change in the Consumer
- 14 Price Index for All Urban Consumers (CPI-U) for Pennsylvania for
- 15 <u>one year.</u>
- 16 (d) In determining if a proposed rent increase is
- 17 reasonable, a magisterial district judge shall consider all of
- 18 the following:
- 19 (1) Increases in the community owner's operating expenses.
- 20 (2) Increases in the community owner's property taxes on the
- 21 community park.
- 22 (3) Increases in the cost of debt service that is directly
- 23 related to acquisition or capital improvements in the community
- 24 park.
- 25 (4) The return on the community owner's equity investment
- 26 over the past three years, and the reasons offered by the
- 27 <u>community owner for seeking an increase in the return on the</u>
- 28 community owner's investment.
- 29 (5) A sampling of current lot rents in the region in which
- 30 the community park is located.

- 1 (6) Any other costs asserted by the community owner that are
- 2 relevant and probative of the need for an increase.
- 3 Section 2. The addition of section 6.1 of the act shall
- 4 apply to rent contracts or modifications entered into on or
- 5 after the effective date of this section.
- 6 Section 3. This act shall take effect in 180 days.