

**Testimony to the House Environment & Transportation Committee**  
**HB23: Manufactured Homes – Sale of Manufactured Housing Communities (Manufactured Housing**  
**Modernization Act of 2023)**  
**Position: Favorable**

January 26, 2023

The Honorable Kumar P. Barve, Chair  
Environment and Transportation Committee  
Room 251, HOB  
Annapolis, MD 21401  
cc: Members, Environment and Transportation Committee

Honorable Chair Barve and Members of the Committee:

Economic Action Maryland (formerly the Maryland Consumer Rights Coalition) is a statewide non-profit movement of individuals and organizations that advances economic inclusion and financial justice through research, advocacy, consumer education, and direct service. Our 8,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.

We are writing today in support of HB 23.

Manufactured housing is an important component of affordable housing. In a 2020 DHCD report, the agency reported a shortage of available affordable housing for low-income families. Manufactured housing provides an option for working families. According to a 2020 Fannie Mae report, the national median income for households living in manufactured housing is \$35,688 compared to \$50,056 for traditional renters, and \$91,342 for traditional homeowners. The monthly costs of manufactured homes averages \$661 per month, compared to \$993 for renters, and \$1309 for homeowners.

Mobile home residents own their homes but not the ground they sit on. These households pay monthly rent to the owner of a manufactured housing community. If the owner of the community decides to develop the land, it costs thousands of dollars for residents to move. But many can't afford to do so and abandon their homes as a result.

Increasingly, another scenario is more likely to occur. Private equity firms have been purchasing manufactured housing communities as investment opportunities for the past decade. When that happens, communities have seen their rents and fees increase monthly costs by 40%-60%. This makes the last bastion of affordable housing *unaffordable* for low-income families.

HB 23 addresses these challenges by increasing the notice requirements if an owner decides to sell their manufactured housing community to allow residents time to make plans to remain, to leave in a dignified manner, or to collectively make an offer to purchase the community. The seller must in good faith consider all reasonable offers. If the seller accepts the community's offer, the community could organize as a co-op other venture. There are examples of successful community-owned manufactured housing co-ops in Vermont, New Hampshire, New York, Missouri, Oregon, and Washington states.

HB23 expands notice and stability for residents of mobile home communities and provides an opportunity for purchase. It provides an important update to Maryland's laws for manufactured homes, expands transparency, and creates a more informed community.

For all of these reasons, we support HB23 and request a favorable report.

Best,

Michael Donnelly  
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