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January 24, 2023

To: The Honorable Kumar Barve

Chair, Environment and Transportation Committee

From: Kira Wilpone-Welborn, Assistant Attorney General

Consumer Protection Division

Re: House Bill 23 – Manufactured Homes –Sale of Manufactured Housing Communities

(Manufactured Housing Modernization Act) (SUPPORT)

The Consumer Protection Division of the Office of the Attorney General (the "Division") supports House Bill 23 sponsored by Delegate Vaughn Stewart, which would create additional protections for owners of manufactured homes that comprise a vital component of Maryland's affordable housing market. Specifically, House Bill 23 would require that an owner of a manufactured housing community containing two or more manufactured homes notify the homeowners of a pending sale of the community and its terms; offer homeowners the opportunity to purchase the manufactured housing community; and negotiate, in good faith, with homeowners seeking to purchase the manufactured housing community.

Despite the initial affordability of manufactured homes, manufactured homeowners stuck with new community ownership can be subject to unexpected fees, reduced services, and more expensive lot rent without the ability to avoid such unilateral changes because moving a manufactured home to a new location is prohibitively costly. Requiring manufactured home community owners to provide homeowners a fair opportunity to purchase the manufactured home community before it can be sold to a third party provides stability to this affordable housing market.

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¹ *See* https://www.washingtonpost.com/business/economy/a-billion-dollar-empire-made-of-mobile-homes/2019/02/14/ac687342-2b0b-11e9-b2fc-721718903bfc story.html and https://www.nytimes.com/2022/03/27/us/mobile-home-park-ownership-costs.html.

The Honorable Kumar P. Barve House Bill 23 January 24, 2023 Page Two

For these reasons, the Division requests that the Environment and Transportation Committee give House Bill 23 a favorable report.

cc: The Honorable Vaughn Stewart
Members, Environment and Transportation Committee