

## CHAPTER 153

### MANUFACTURED OR MOBILE HOMES — LICENSING AND REGULATION

H.F. 656

**AN ACT** relating to the licensing and regulation of manufactured or mobile homes, and providing coordinating amendments.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 322B.1, Code 2001, is amended by striking the section and inserting in lieu thereof the following:

#### 322B.1 SHORT TITLE.

This chapter may be cited as the “Manufactured or Mobile Home Retailers Licensing Act”.

Sec. 2. Section 322B.2, Code 2001, is amended by striking the section and inserting in lieu thereof the following:

#### 322B.2 DEFINITIONS.

As used in this chapter, unless the context otherwise requires:

1. “Department” means the state department of transportation.
2. “Home” means a manufactured home, mobile home, or modular home.
3. “Manufactured home” means a factory-built structure built under the authority of 42 U.S.C. § 5403, that is required by federal law to display a seal required by the United States department of housing and urban development, and was constructed on or after June 15, 1976.
4. “Manufactured or mobile home distributor” means a person who sells or distributes manufactured or mobile homes to manufactured<sup>1</sup> home retailers.
5. “Manufactured or mobile home manufacturer” means a person engaged in the business of fabricating or assembling manufactured or mobile homes.
6. “Manufactured or mobile home retailer” means a person who, for a commission or other thing of value, sells, exchanges, or offers or attempts to negotiate a sale or exchange of an interest in a home or who is engaged wholly or in part in the business of selling homes, whether or not the homes are owned by the retailer. “Manufactured or mobile home retailer” does not include any of the following:
  - a. A receiver, trustee, administrator, executor, guardian, attorney, or other person appointed by or acting under the judgment or order of a court to transfer an interest in a home.
  - b. A person transferring a home registered in the person’s name and used for personal, family, or household purposes, if the transfer is an occasional sale and is not part of the business of the transferor.
  - c. A person who transfers an interest in a home only as an incident to engaging in the business of financing new or used homes.
  - d. A person who exclusively sells modular homes.
7. “Mobile home” means a structure, transportable in one or more sections, which exceeds eight feet in width and thirty-two feet in length, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to one or more utilities. A “mobile home” is not built to a mandatory building code, contains no state or federal seals, and was built before June 15, 1976.
8. “Modular home” means a factory-built structure which is manufactured to be used as a place of human habitation, is constructed to comply with the Iowa state building code for modular factory-built structures, and displays a seal issued by the state building code commissioner.
9. “New home” means a home that has not been sold at retail.
10. “Preowned home” means a home that has been previously sold at retail.

<sup>1</sup> See chapter 176, §66, 82 herein

11. "Retailer's inventory" means homes offered for sale at the retailer's licensed address or at any mobile home park or land-lease community so long as the title of the home is in the retailer's name and the home is not being occupied.

12. "Sell at retail" means to sell a home to a person who will devote it to a consumer use.

Sec. 3. Section 322B.3, Code 2001, is amended to read as follows:

322B.3 MANUFACTURED OR MOBILE HOME DEALER RETAILER LICENSE — PROCEDURE.

1. LICENSE APPLICATION. A manufactured or mobile home dealer retailer shall file in the office of the department an application for license as a manufactured or mobile home dealer retailer in the same manner as a motor vehicle dealer applicant under section 322.4 or as the department may prescribe. A manufactured or mobile home dealer retailer license may be issued in the same manner as a motor vehicle dealer license pursuant to section 322.7.

2. LICENSE FEES. The license fee for a manufactured or mobile home dealer retailer is seventy dollars for a two-year license, one hundred forty dollars for a four-year license, or two hundred ten dollars for a six-year license. If the application is denied, the department shall refund the fee. Fees and funds accruing from the administration of this chapter shall be accounted for and paid by the department to the treasurer of state monthly for deposit in the road use tax fund of the state.

3. SURETY BOND. Before the issuance of a manufactured or mobile home dealer's retailer's license, an applicant for a license shall file with the department a surety bond executed by the applicant as principal and executed by a corporate surety company, licensed and qualified to do business within this state, which bond shall run to the state of Iowa, be in the amount of fifty thousand dollars and be conditioned upon the faithful compliance by the applicant as a dealer retailer with all of the statutes of this state regulating the business of the dealer retailer and indemnifying any person dealing or transacting business with the dealer retailer in connection with a manufactured or mobile home, from a loss or damage occasioned by the failure of the dealer retailer to comply with this chapter, including, but not limited to, the furnishing of a proper and valid document of title to the manufactured or mobile home involved in the transaction.

4. PERMITS FOR FAIRS, SHOWS, AND EXHIBITIONS. ~~Mobile~~ Manufactured or mobile home dealers retailers, in addition to selling ~~mobile~~ homes at their principal place of business and lots, may, upon receipt of a temporary permit approved by the department, display and offer new ~~mobile~~ manufactured homes for sale and negotiate sales of new ~~mobile~~ manufactured homes at fairs, shows, and exhibitions which are approved by the department. Application for temporary permits shall be made upon forms provided by the department and shall be accompanied by a ten dollar permit fee. Temporary permits shall be issued for a period not to exceed fourteen days.

5. MANUFACTURED OR MOBILE HOME HOOKUPS. A manufactured or mobile home dealer retailer or an employee of a manufactured or mobile home dealer retailer may perform water, gas, electrical, and other utility service connections in a manufactured or mobile home space, or within ten feet of such space, located in a manufactured home community or mobile home park, and the dealer retailer or an employee of the dealer retailer may install a tie-down system on a manufactured or mobile home located in a manufactured home community or mobile home park. The connections are subject to inspection and approval by local building code officials and the manufactured or mobile home dealer retailer shall pay the inspection fee, if any.

Sec. 4. Section 322B.4, Code 2001, is amended to read as follows:

322B.4 LICENSE APPLICATION AND FEES.

Upon application and payment of a thirty-five dollar fee, a person may be licensed as a manufacturer or distributor of manufactured or mobile homes. The application shall be in the form and shall contain information as the department prescribes. The license shall be granted or refused within thirty days after application. The license expires, unless sooner

revoked or suspended by the department, on December 31 of the calendar year for which the license was granted. A licensee shall have the month of December of the calendar year for which the license was granted and the following month of January to renew the license. A person who fails to renew a license by the end of this time period and desires to hold a license shall file a new license application and pay the required fee.

Sec. 5. Section 322B.5, Code 2001, is amended to read as follows:

**322B.5 NOTIFICATION.**

The department shall notify the state building code commissioner of each license issued to a manufactured or mobile home dealer retailer.

Sec. 6. Section 322B.6, Code 2001, is amended to read as follows:

**322B.6 REVOCATION, SUSPENSION, AND DENIAL OF LICENSE.**

The department may revoke, suspend, or refuse the license of a manufactured or mobile home dealer retailer, manufactured or mobile home manufacturer, or manufactured or mobile home distributor, as applicable, if the department finds that the manufactured or mobile home dealer retailer, manufacturer, or distributor is guilty of any of the following acts or offenses:

1. Fraud in procuring a license.
  2. Knowingly making misleading, deceptive, untrue or fraudulent representations in the business of a manufactured or mobile home dealer retailer, manufacturer, or distributor or engaging in unethical conduct or practice harmful or detrimental to the public.
  3. Conviction of a felony related to the business of a manufactured or mobile home dealer retailer, manufacturer, or distributor. A copy of the record of conviction or plea of guilty shall be sufficient evidence for the purposes of this section.
  4. Failing upon the sale or transfer of a manufactured or mobile home to deliver to the purchaser or transferee of the manufactured or mobile home sold or transferred, a manufacturer's or importer's certificate, or a certificate of title duly assigned, as provided in chapter 321.
  5. Failing upon the purchasing or otherwise acquiring of a manufactured or mobile home to obtain a manufacturer's or importer's certificate, a new certificate of title or a certificate of title duly assigned as provided in chapter 321.
  6. Failing to apply for and obtain from a county treasurer a certificate of title for a used manufactured or mobile home, titled in Iowa, acquired by the dealer retailer within thirty days from the date of acquisition, as required under section 321.45, subsection 4.
- In accordance with chapters 10A and 17A, each person whose license or application is revoked, suspended, or refused shall be provided an opportunity for a hearing before the department of inspections and appeals.

Sec. 7. Section 322B.8, Code 2001, is amended to read as follows:

**322B.8 UNLAWFUL PRACTICE.**

It is unlawful for a person to engage in business as a manufactured or mobile home dealer retailer, manufactured or mobile home manufacturer, or manufactured or mobile home distributor in this state without first acquiring and maintaining a license in accordance with this chapter. A person convicted of violating the provisions of this section is guilty of a serious misdemeanor.

Sec. 8. Section 322B.9, Code 2001, is amended to read as follows:

**322B.9 MANUFACTURED HOME, MOBILE HOME, AND MODULAR HOME RETAIL INSTALLMENT CONTRACT — FINANCE CHARGE.**

A retail installment contract or agreement for the sale of a manufactured home, mobile home, or modular home may include a finance charge not in excess of an amount equivalent to one and three-fourths percent per month simple interest on the declining balance of the amount financed.

"Amount financed" shall be as defined in section 537.1301.

The limitations contained in this section do not apply in a transaction referred to in section 535.2, subsection 2. With respect to a consumer credit sale, as defined in section 537.1301, the limitations contained in this section supersede conflicting provisions of chapter 537, article 2, part 2.

Sec. 9. Section 331.301, subsection 15, Code 2001, is amended to read as follows:

15. a. A county may adopt and enforce an ordinance requiring the construction of a storm shelter at a manufactured home community or mobile home park which is constructed after July 1, 1999. In lieu of requiring construction of a storm shelter, a county may require a community or park owner to provide a plan for the evacuation of community or park residents to a safe place of shelter in times of severe weather including tornadoes and high winds if the county determines that a safe place of shelter is available within a reasonable distance of the manufactured home community or mobile home park for use by community or park residents. Each evacuation plan prepared pursuant to this subsection shall be filed with, and approved by, the local emergency management agency. If construction of a storm shelter is required, an ordinance adopted or enforced pursuant to this subsection shall not include any of the following requirements:

(1) That the size of the storm shelter be larger than the equivalent of seven square feet for each manufactured or mobile home space in the manufactured home community or mobile home park.

(2) That the storm shelter include a restroom if the shelter is used exclusively as a storm shelter.

(3) That the storm shelter exceed the construction specifications approved by a licensed professional engineer and presented by the owner of the manufactured home community or mobile home park.

(4) That the shelter be located any closer than one thousand three hundred twenty feet from any manufactured or mobile home in the manufactured home community or mobile home park.

b. For the purposes of this subsection:

(1) “Manufactured home community” means the same as land-leased community defined in sections 335.30A and 414.28A.

~~(1)~~ (2) “Mobile home park” means a mobile home park as defined in section 562B.7.

~~(2)~~ (3) “Storm shelter” means a single structure or multiple structures designed to provide persons with temporary protection from a storm.

Sec. 10. Section 364.3, subsections 5 and 8, Code 2001, are amended to read as follows:

5. A city shall not adopt or enforce any ordinance imposing any registration or licensing system or registration or license fees for owner-occupied manufactured or mobile homes including the lots or lands upon which they are located. A city shall not adopt or enforce any ordinance imposing any registration or licensing system, or registration or license fees, or safety or sanitary standards for rental manufactured or mobile homes unless similar registration or licensing system, or registration or license fees, or safety or sanitary standards are required for other rental properties intended for human habitation. This subsection does not preclude the investigation and abatement of a nuisance or the enforcement of a tiedown system, or the enforcement of any regulations of the state or local board of health if those regulations apply to other rental properties or to owner-occupied housing intended for human habitation.

8. a. A city may adopt and enforce an ordinance requiring the construction of a storm shelter at a manufactured home community or mobile home park which is constructed after July 1, 1999. In lieu of requiring construction of a storm shelter, a city may require a community or park owner to provide a plan for the evacuation of community or park residents to a safe place of shelter in times of severe weather including tornadoes and high winds if the city determines that a safe place of shelter is available within a reasonable distance of the manufactured home community or mobile home park for use by community

or park residents. Each evacuation plan prepared pursuant to this subsection shall be filed with, and approved by, the local emergency management agency. If construction of a storm shelter is required, an ordinance adopted or enforced pursuant to this subsection shall not include any of the following requirements:

(1) That the size of the storm shelter be larger than the equivalent of seven square feet for each manufactured or mobile home space in the manufactured home community or mobile home park.

(2) That the storm shelter include a restroom if the shelter is used exclusively as a storm shelter.

(3) That the storm shelter exceed the construction specifications approved by a licensed professional engineer and presented by the owner of the manufactured home community or mobile home park.

(4) That the shelter be located any closer than one thousand three hundred twenty feet from any manufactured or mobile home in the community. However, this restriction shall not prohibit the adoption or enforcement of an ordinance that requires a minimum of one shelter to be located in a manufactured home community or mobile home park.

b. For the purposes of this subsection:

(1) “Manufactured home community” means the same as land-leased community defined in sections 335.30A and 414.28A.

~~(1)~~ (2) “Mobile home park” means a mobile home park as defined in section 562B.7.

~~(2)~~ (3) “Storm shelter” means a single structure or multiple structures designed to provide persons with temporary protection from a storm.

Sec. 11. Section 435.1, Code 2001, is amended to read as follows:

#### 435.1 DEFINITIONS.

The following definitions shall apply to this chapter:

1. Unless the context otherwise requires, “book”, “list”, “record”, or “schedule” kept by a county auditor, assessor, treasurer, recorder, sheriff, or other county officer means the county system as defined in section 445.1.

2. “Home” means a mobile home or a manufactured home.

3. “Manufactured home” means a factory-built structure built under authority of 42 U.S.C. § 5403, that is required by federal law to display a seal from the United States department of housing and urban development, and was constructed on or after June 15, 1976. If a manufactured home is placed in a manufactured home community or a mobile home park, the home must be titled and is subject to the manufactured or mobile home square foot tax. If a manufactured home is placed outside a manufactured home community or a mobile home park, the home must be titled and is to be assessed and taxed as real estate.

3A. “Manufactured home community” means the same as land-leased community defined in sections 335.30A and 414.28A.

4. “Mobile home” means any vehicle without motive power used or so manufactured or constructed as to permit its being used as a conveyance upon the public streets and highways and so designed, constructed, or reconstructed as will permit the vehicle to be used as a place for human habitation by one or more persons; but shall also include any such vehicle with motive power not registered as a motor vehicle in Iowa. A “mobile home” is not built to a mandatory building code, contains no state or federal seals, and was built before June 15, 1976. If a mobile home is placed outside a mobile home park, the home is to be assessed and taxed as real estate.

5. “Mobile home park” means a site, lot, field, or tract of land upon which three or more mobile homes or manufactured homes, or a combination of any of these homes are placed on developed spaces and operated as a for-profit enterprise with water, sewer or septic, and electrical services available.

The term “manufactured home community” or “mobile home park” shall not be construed to include manufactured or mobile homes, buildings, tents or other structures temporarily

maintained by any individual, educational institution, or company on their own premises and used exclusively to house their own labor or students.

A manufactured home community or a mobile home park must be classified as to whether it is a residential manufactured home community or a mobile home park or a recreational manufactured home community or a mobile home park or both. The manufactured home community or mobile home park residential landlord and tenant Act only applies to residential manufactured home communities or mobile home parks.

6. "Modular home" means a factory-built structure which is manufactured to be used as a place of human habitation, is constructed to comply with the Iowa state building code for modular factory-built structures, and must display the seal issued by the state building code commissioner. If a modular home is placed in a manufactured home community or mobile home park, the home is subject to the annual tax as required by section 435.22. If a modular home is placed outside a manufactured home community or a mobile home park, the home shall be considered real property and is to be assessed and taxed as real estate.

Sec. 12. Section 555C.1, Code 2001, is amended to read as follows:  
555C.1 DEFINITIONS.

As used in this chapter, unless the context otherwise requires:

1. "Home" means a mobile home, modular home, or a manufactured home as defined in section 435.1.

1A. "Manufactured home community" means a manufactured home community as defined in section 435.1.

2. "Mobile home park" means a mobile home park as defined in section 435.1.

3. "Personal property" includes personal property of the owner or other occupant of the home, which is located in the home, on the lot where the home is located, in the immediate vicinity of the home or lot, or in any storage area provided by the real property owner for use of the home owner or occupant.

4. "Valueless home" means a home located in a manufactured home community or a mobile home park including all other personal property, where all of the following conditions exist:

a. The home has been abandoned as defined in section 562B.27, subsection 1, and the home has not been removed after the right to possession of the underlying real estate has been terminated pursuant to chapter 648.

b. A lien of record, other than a tax lien as provided in chapter 435, does not exist against the home. A lien exists only if the real property owner receives notice of a lien on the standardized registration form completed by an owner or occupant pursuant to chapter 562B, or a lien has been filed in the state or county records on a date before the home is considered to be valueless.

c. The value of the home and other personal property is equal to or less than the reasonable cost of disposal plus all sums owing to the real property owner pertaining to the home.

Sec. 13. Section 562B.7, Code 2001, is amended to read as follows:  
562B.7 GENERAL DEFINITIONS.

Subject to additional definitions contained in subsequent sections of this chapter which apply to specific sections thereof, and unless the context otherwise requires, in this chapter:

1. "Building and housing codes" include any law, ordinance, or governmental regulation concerning fitness for habitation, or the construction, maintenance, operation, occupancy, use, or appearance of any manufactured home community or mobile home park, dwelling unit, or manufactured or mobile home space.

2. "Business" includes a corporation, government, governmental subdivision or agency, business trust, estate, trust, partnership or association, two or more persons having a joint or common interest, and any other legal or commercial entity which is a landlord, owner, manager, or constructive agent pursuant to section 562B.14.

3. "Dwelling unit" excludes real property used to accommodate a manufactured or mobile home.

4. "Landlord" means the owner, lessor, or sublessor of a manufactured home community or a mobile home park and it also means a manager of the manufactured home community or a mobile home park who fails to disclose as required by section 562B.14.

4A. "Manufactured home community" means the same as land-leased community defined in sections 335.30A and 414.28A.

5. "Mobile home" means any vehicle without motive power used or so manufactured or constructed as to permit its being used as a conveyance upon the public streets and highways and so designed, constructed, or reconstructed as will permit the vehicle to be used as a place for human habitation by one or more persons; but shall also include any such vehicle with motive power not registered as a motor vehicle in Iowa. References in this chapter to "mobile home" include "manufactured homes" and "modular homes" as those terms are defined in section 435.1, if the manufactured homes or modular homes are located in a manufactured home community or a mobile home park.

6. "Mobile home park" shall mean any site, lot, field or tract of land upon which three or more mobile homes, manufactured homes, or modular homes or a combination of any of these homes are placed on developed spaces and operated as a for-profit enterprise with water, sewer or septic, and electrical services available.

7. "Mobile home space" means a parcel of land for rent which has been designed to accommodate a mobile home and provide the required sewer and utility connections.

8. "Owner" means one or more persons, jointly or severally, in whom is vested all or part of the legal title to property or all or part of the beneficial ownership and a right to present use and enjoyment of the manufactured home community or the mobile home park. The term includes a mortgagee in possession.

9. "Rent" means a payment to be made to the landlord under the rental agreement.

10. "Rental agreement" means agreements, written or those implied by law, and valid rules and regulations adopted under section 562B.19 embodying the terms and conditions concerning the use and occupancy of a mobile home space.

11. "Rental deposit" means a deposit of money to secure performance of a mobile home space rental agreement under this chapter other than a deposit which is exclusively in advance payment of rent.

12. "Tenant" means a person entitled under a rental agreement to occupy a mobile home space to the exclusion of others.

Sec. 14. Section 562B.9, unnumbered paragraph 2, Code 2001, is amended to read as follows:

Any notice required under this chapter ~~given to all tenants of a mobile home park~~, except a written notice of termination required by section 562B.25, subsection 1 or 2, a notice of termination and notice to quit under section 562B.25A, a notice to quit as required by section 648.3, or a petition for forcible entry and detainer pursuant to chapter 648, shall be deemed legally sufficient notice if made by posting at or delivering to each manufactured or mobile home space. The date of posting of the notice shall be written on the notice.

Sec. 15. Sections 103A.3,<sup>2</sup> 103A.30, 103A.31, 321.1, 321.47, 321.123, 321.251, 321.284A, 321.457, 321E.28, 321E.31, 331.429, 331.653, 422.43, 422A.1, 425.17, 426A.11, 427.11, 435.22, 441.17, 445.1, 445.36A, 445.37, 445.38, 515C.1, 534.605, 562B.2, 562B.13, 631.1, 631.4, and 648.3, Code 2001, are amended by inserting before the words "mobile home" the words "manufactured or".

Sec. 16. Sections 103A.9, 135I.4, 306C.10, 321.251, 331.301, 335.30, 414.28, 422.42, 427.1, 435.22, 435.23, 435.24, 435.26, 435.27, 435.28, 435.34, 435.35, 441.17, 555B.1, 555C.2, 555C.3, 555C.4, 557B.1, 562B.1, 562B.13, 562B.14, 562B.15, 562B.16, 562B.17, 562B.18, 562B.19, 562B.22, 562B.23, 562B.24, 562B.32, 648.22A, and 648.22B, Code 2001, are amended by inserting before the words "mobile home park" or "park" the words "manufactured home community or".

<sup>2</sup> See chapter 176, §80 herein

Sec. 17. Sections 321.1, 321.18, 321.20, 321.24, 321.30, 321.45, 321.46, 321.49, 321.50, 321.57, 321.101, 321.104, 321.123, and 423.4, Code 2001, are amended by striking the words “manufactured housing” and inserting in lieu thereof the words “manufactured home”.

Sec. 18. Sections 321.46, 321.49, 321.57, 321.58, and 435.27, Code 2001, are amended by the<sup>3</sup> striking the words “mobile home dealer” or “dealer” and inserting in lieu thereof the words “manufactured home retailer”.

Approved May 21, 2001

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## CHAPTER 154

### HOMESTEAD AND FAMILY FARM TAX CREDITS — MISCELLANEOUS CHANGES

H.F. 712

**AN ACT** relating to the homestead tax credit and to the annual filing for the family farm tax credit, to the notification to the assessor of the change in ownership or the person actively engaged in farming the tract of agricultural land for which the family farm tax credit is allowed, providing a penalty, and including effective and applicability date provisions.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 425.7, subsection 3, unnumbered paragraph 2, Code 2001, is amended to read as follows:

If a claim is disallowed by the director of revenue and finance and not appealed to the state board of tax review or appealed to and upheld by the state board of tax review and a petition for judicial review is not filed with respect to the disallowance, any amounts of credits allowed and paid from the homestead credit fund including the penalty, if any, become a lien upon the property on which credit was originally granted, if still in the hands of the claimant, and not in the hands of a bona fide purchaser, and any amount so erroneously paid including the penalty, if any, shall be collected by the county treasurer in the same manner as other taxes and the collections shall be returned to the department of revenue and finance and credited to the homestead credit fund. The director of revenue and finance may institute legal proceedings against a homestead credit claimant for the collection of payments made on disallowed credits and the penalty, if any. If a person makes a false claim or affidavit with fraudulent intent to obtain the homestead credit, the person is guilty of a fraudulent practice and the claim shall be disallowed in full. If the credit has been paid, the amount of the credit plus a penalty equal to twenty-five percent of the amount of credit plus interest, at the rate in effect under section 421.7, from the time of payment shall be collected by the county treasurer in the same manner as other property taxes, penalty, and interest are collected and when collected shall be paid to the director of revenue and finance. If a homestead credit is disallowed and the claimant failed to give written notice to the assessor as required by section 425.2 when the property ceased to be used as a homestead by the claimant, a civil penalty equal to ~~fifty~~ five percent of the amount of the disallowed credit is assessed against the claimant.

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<sup>3</sup> According to enrolled Act