

**Senate File 2225 - Introduced**

SENATE FILE 2225

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**A BILL FOR**

1 An Act relating to property law, including rental properties,  
2 manufactured home communities, mobile home parks, and actions  
3 relating to such properties, making penalties applicable, and  
4 including effective date and applicability provisions.  
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:



1     Sec. 6. EFFECTIVE DATE. This division of this Act, being  
2 deemed of immediate importance, takes effect upon enactment.

3     Sec. 7. APPLICABILITY. This division of this Act applies to  
4 violations of chapter 562B occurring on or after the effective  
5 date of this division of this Act.

6                             DIVISION III

7                             RENT INCREASES

8     Sec. 8. Section 562B.7, subsection 10, Code 2026, is amended  
9 to read as follows:

10    10. "Rent" means a payment to be made to the landlord under  
11 the rental agreement, ~~including base rent, utilities, late fees,~~  
12 ~~and other payments made by the tenant to the landlord under the~~  
13 ~~rental agreement.~~

14    Sec. 9. Section 562B.14, subsection 7, Code 2026, is amended  
15 by striking the subsection and inserting in lieu thereof the  
16 following:

17    7. a. A landlord shall not increase the amount of rent  
18 due by any tenant in a manufactured home community or mobile  
19 home park unless the tenant is notified in writing of the rent  
20 increase at least one hundred eighty days before the effective  
21 date of the rent increase. The effective date of any rent  
22 increase shall not be less than one year after either the  
23 effective date of the most recent rent increase or the beginning  
24 of the tenancy, whichever is later.

25    b. (1) Subject to paragraph "a", a landlord may increase the  
26 amount of rent due by any tenant in an amount greater than the  
27 average annual increase of the consumer price index for all urban  
28 consumers in the midwest region for the most recently available  
29 preceding thirty-six-month period, if the landlord demonstrates  
30 all of the following:

31    (a) The landlord, during the preceding twelve-month period,  
32 has not been found in violation of any provision of this chapter  
33 that threatens the health or safety of the tenants of or visitors  
34 to the manufactured home community or mobile home park that  
35 persists for more than fifteen days, beginning on the day the

1 landlord received notice of such violation.

2 (b) The proposed rent increase is directly related to  
3 operating, maintaining, or improving the manufactured home  
4 community or mobile home park, and is justified by one or more  
5 of the following factors:

6 (i) The completion and cost of any capital improvements or  
7 repair work in the manufactured home community or mobile home  
8 park, as distinguished from ordinary repair, replacement, and  
9 maintenance.

10 (ii) An increase in property taxes due on the manufactured  
11 home community or mobile home park.

12 (iii) If the landlord is responsible for payment of one  
13 or more utilities, an increase in utility expenses within the  
14 manufactured home community or mobile home park.

15 (iv) An increase in insurance costs and financing associated  
16 with the manufactured home community or mobile home park.

17 (v) An increase in reasonable operating and maintenance  
18 expenses relating to the manufactured home community or mobile  
19 home park.

20 (vi) An increase in market rent. For purposes of this  
21 subparagraph subdivision, "market rent" means that rent which  
22 would result from market forces absent an unequal bargaining  
23 position between the landlord and tenants. In determining market  
24 rent, relevant considerations include rents charged to recent  
25 new tenants of the manufactured home community or mobile home  
26 park or rents charged by comparable manufactured home communities  
27 or mobile home parks. To be comparable, a manufactured home  
28 community or mobile home park must be within the competitive  
29 area and must offer similar facilities, services, amenities, and  
30 management.

31 (2) The department of revenue shall monitor the consumer  
32 price index for all urban consumers in the midwest region and  
33 report the relevant data to the consumer protection division of  
34 the office of the attorney general for periodic publication.

35 c. The written notice of a rent increase provided to the

1 tenant must include the specific reasons for the increase  
2 including the justification under paragraph "b", if applicable.

3 d. A decrease in the number or quality of amenities,  
4 services, or utilities provided under the rental agreement  
5 without a corresponding and proportionate reduction in rent shall  
6 be considered a rent increase for the purposes of this chapter.

7 Sec. 10. EFFECTIVE DATE. This division of this Act, being  
8 deemed of immediate importance, takes effect upon enactment.

9 Sec. 11. APPLICABILITY. The following applies to rent  
10 increases under chapter 562B occurring on or after the effective  
11 date of this division of this Act:

12 The portion of the section of this division of this Act  
13 enacting section 562B.14, subsection 7, paragraphs "a" and "d".

14 Sec. 12. APPLICABILITY. The following applies to rent  
15 increases under chapter 562B occurring on or after July 1, 2026:

16 The portion of the section of this division of this Act  
17 enacting section 562B.14, subsection 7, paragraphs "b" and "c".

18 DIVISION IV

19 LANDLORD REMEDIES AND PROCEDURES

20 Sec. 13. Section 562A.9, subsection 4, Code 2026, is amended  
21 to read as follows:

22 4. For rental agreements in which the rent does not exceed  
23 seven hundred dollars per month, a rental agreement shall not  
24 provide for a late fee that exceeds twelve dollars per day or a  
25 total amount of sixty dollars per month. For rental agreements  
26 in which the rent is greater than seven hundred dollars per month  
27 but less than one thousand four hundred dollars per month, a  
28 rental agreement shall not provide for a late fee that exceeds  
29 twenty dollars per day or a total amount of one hundred dollars  
30 per month. For rental agreements in which the rent is at least  
31 one thousand four hundred dollars per month, a rental agreement  
32 shall not provide for a late fee that exceeds two percent of the  
33 rent per day or a total amount of ten percent of the rent per  
34 month.

35 Sec. 14. Section 562B.10, subsection 4, Code 2026, is amended

1 to read as follows:

2 4. For rental agreements in which the rent does not exceed  
3 seven hundred dollars per month, a rental agreement shall not  
4 provide for a late fee that exceeds twelve dollars per day or a  
5 total amount of sixty dollars per month. For rental agreements  
6 in which the rent is greater than seven hundred dollars per month  
7 but less than one thousand four hundred dollars per month, a  
8 rental agreement shall not provide for a late fee that exceeds  
9 twenty dollars per day or a total amount of one hundred dollars  
10 per month. For rental agreements in which the rent is at least  
11 one thousand four hundred dollars per month, a rental agreement  
12 shall not provide for a late fee that exceeds two percent of the  
13 rent per day or a total amount of ten percent of the rent per  
14 month.

15 Sec. 15. Section 562B.10, subsection 7, paragraph a, Code  
16 2026, is amended by striking the paragraph and inserting in lieu  
17 thereof the following:

18 a. If a tenant who was sole owner of a mobile home dies  
19 during the term of a rental agreement, then that person's heirs  
20 or legal representative or the landlord shall have the right  
21 to cancel the tenant's lease by giving sixty days' written  
22 notice to the person's heirs or legal representative or to  
23 the landlord, whichever is appropriate, and the heirs or the  
24 legal representative shall have the same rights, privileges, and  
25 liabilities of the original tenant.

26 DIVISION V

27 MANUFACTURED HOUSING PROGRAM FUND

28 Sec. 16. Section 16.45, subsection 1, Code 2026, is amended  
29 to read as follows:

30 1. A manufactured housing program fund is created within the  
31 authority to further the goal of providing affordable housing to  
32 Iowans. The moneys in the fund are to be used for the purpose  
33 of providing funding to financial institutions or other lenders  
34 to finance the purchase by an individual of a manufactured home  
35 that is in compliance with all laws, rules, and standards that

1 are applicable to manufactured homes and manufactured housing.  
2 ~~The manufactured housing program fund is designed exclusively for~~  
3 ~~manufactured homes sited on leased land.~~

4 DIVISION VI

5 TENANT COUNTERCLAIM FOR LANDLORD NONCOMPLIANCE

6 Sec. 17. Section 562B.25, Code 2026, is amended by adding the  
7 following new subsection:

8 NEW SUBSECTION. 5. a. In an action for possession based  
9 upon nonpayment of the rent or in an action for rent where  
10 the tenant is in possession, the tenant may counterclaim for an  
11 amount which the tenant may recover under the rental agreement  
12 or this chapter. In that event, the court from time to time  
13 may order the tenant to pay into court all or part of the rent  
14 accrued and thereafter accruing, and shall determine the amount  
15 due to each party. The party to whom a net amount is owed shall  
16 be paid first from the money paid into court, and the balance by  
17 the other party. If rent does not remain due after application  
18 of this section, judgment shall be entered for the tenant in the  
19 action for possession. If the defense or counterclaim by the  
20 tenant is without merit and is not raised in good faith, the  
21 landlord may recover reasonable attorney fees.

22 b. In an action for rent where the tenant is not in  
23 possession, the tenant may counterclaim as provided in paragraph  
24 "a", but the tenant is not required to pay any rent into court.

25 Sec. 18. EFFECTIVE DATE. This division of this Act, being  
26 deemed of immediate importance, takes effect upon enactment.

27 Sec. 19. APPLICABILITY. This division of this Act applies to  
28 actions for possession filed on or after the effective date of  
29 this division of this Act.

30 DIVISION VII

31 UTILITY CHARGES

32 Sec. 20. Section 562B.14, subsection 6, paragraphs a and b,  
33 Code 2026, are amended to read as follows:

34 a. The landlord or any person authorized to enter into a  
35 rental agreement on the landlord's behalf shall provide a written

1 explanation of utility rates, fees, charges, and services,  
2 subject to section 562B.16, subsection 3, to the prospective  
3 tenant before the rental agreement is signed unless the utility  
4 charges are paid by the tenant directly to the utility company.

5 b. Tenants shall be notified of any increase in utility rates  
6 or charges in the manner set forth in subsection 7 for rent  
7 increases, unless the landlord does not receive at least ninety  
8 days' prior notice of such increase from the utility provider,  
9 in which case ~~no prior notice of the increase from the landlord~~  
10 ~~to the tenant is required for the increase to be effective the~~  
11 landlord shall provide notice to the tenant within five business  
12 days of receiving the notice from the utility provider.

13 Sec. 21. Section 562B.16, Code 2026, is amended by adding the  
14 following new subsection:

15 NEW SUBSECTION. 3. A landlord that is responsible for  
16 payment of utilities being provided to the tenant shall not  
17 charge to the tenant an amount in excess of the actual cost of  
18 the utility and as specified in writing under section 562B.14,  
19 subsection 6. In addition to the actual cost of the utility,  
20 a landlord that is responsible for the payment of one or more  
21 utilities being provided to the tenant may impose a monthly  
22 utility administration fee to each tenant not to exceed five  
23 dollars per month. The amount of the utility administration fee  
24 shall not exceed five dollars per month regardless of the number  
25 of utilities being provided or the actual cost of the utilities  
26 being provided.

27 Sec. 22. Section 562B.25, Code 2026, is amended by adding the  
28 following new subsection:

29 NEW SUBSECTION. 2A. The failure of a tenant to pay utility  
30 charges that exceed the actual cost of the utility provided  
31 as required by section 562B.16, subsection 3, shall not be  
32 considered noncompliance with the rental agreement.

33 Sec. 23. Section 714H.3, subsection 2, Code 2026, is amended  
34 by adding the following new paragraph:

35 NEW PARAGRAPH. i. Section 562B.16, subsection 3.

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DIVISION VIII  
UNLAWFUL OUSTER

Sec. 24. Section 562B.24, Code 2026, is amended to read as follows:

**562B.24 Tenant's remedies for landlord's unlawful ouster, exclusion or diminution of services.**

If the landlord unlawfully removes or excludes the tenant from the manufactured home community or mobile home park or willfully diminishes services to the tenant by interrupting or causing the interruption of electric, gas, water or other essential service to the tenant, the tenant may recover possession, require the restoration of essential services or terminate the rental agreement and, in either case, recover an amount not to exceed two months' periodic rent, and twice the actual damages sustained by the tenant, and reasonable attorney fees. If the rental agreement is terminated, the landlord shall return all prepaid rent and security.

Sec. 25. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Sec. 26. APPLICABILITY. This division of this Act applies to actions under section 562B.24, as amended in this division of this Act, filed on or after the effective date of this division of this Act.

DIVISION IX  
TENANT CORRECTING DEFICIENCIES

Sec. 27. Section 562B.25, Code 2026, is amended by adding the following new subsection:

NEW SUBSECTION. 4A. In any action by a landlord for possession based upon nonpayment of rent, proof by the tenant of all of the following shall be a defense to any action or claim for possession by the landlord, and the amounts expended by the tenant in correcting the deficiencies shall be deducted from the amount claimed by the landlord as unpaid rent:

a. That the landlord failed to comply either with the rental agreement or with section 562B.16.

1 b. That the tenant notified the landlord at least seven  
2 days prior to the due date of the tenant's rent payment of  
3 the tenant's intention to correct the condition constituting the  
4 breach referred to in paragraph "a" at the landlord's expense.

5 c. That the reasonable cost of correcting the condition  
6 constituting the breach is equal to or less than one month's  
7 periodic rent.

8 d. That the tenant in good faith caused the condition  
9 constituting the breach to be corrected prior to receipt of  
10 written notice of the landlord's intention to terminate the  
11 rental agreement for nonpayment of rent.

12 Sec. 28. EFFECTIVE DATE. This division of this Act, being  
13 deemed of immediate importance, takes effect upon enactment.

14 Sec. 29. APPLICABILITY. This division of this Act applies  
15 to actions by a landlord for possession filed on or after the  
16 effective date of this division of this Act.

17 DIVISION X

18 DENIAL OF RENTAL OR REFUSAL OF SALE

19 Sec. 30. Section 562B.19, subsection 3, paragraphs a and c,  
20 Code 2026, are amended to read as follows:

21 a. Deny rental unless the tenant or prospective tenant  
22 cannot conform to manufactured home community or park rules  
23 and regulations. A decision to deny rental shall conform to  
24 recognized principles, rules, and standards generally accepted by  
25 the professional manufactured home community or park industry to  
26 ensure the commercially reasonable safety and financial security  
27 of comparable manufactured home communities or mobile home parks.  
28 A landlord shall deliver the decision in writing to the tenant  
29 or prospective tenant as soon as commercially feasible and shall  
30 provide the basis for a denial in writing to the tenant or  
31 prospective tenant at the time of the decision.

32 c. Deny any resident of a manufactured home community or  
33 mobile home park the right to sell that person's mobile home at  
34 a price of the person's own choosing, but may reserve the right  
35 to approve the purchaser of such mobile home as a tenant but such

1 permission may shall only be withheld for a legitimate business  
 2 reason within the recognized principles, rules, and standards  
 3 described in paragraph "a", and shall not be unreasonably  
 4 withheld, provided however, that the landlord may, in the event  
 5 of a sale to a third party, in order to upgrade the quality  
 6 of the manufactured home community or mobile home park, require  
 7 that any mobile home in a rundown condition or in disrepair  
 8 be removed from the manufactured home community or park within  
 9 sixty days. If the landlord does not approve the purchaser as  
 10 a tenant, the landlord shall provide the purchaser with written  
 11 notice of such denial and the general reason for the denial, but  
 12 the landlord shall not be required to provide a specific reason  
 13 for the denial. If the landlord refuses to approve the purchaser  
 14 of the mobile home as a tenant, the landlord shall provide a  
 15 legitimate business reason for the refusal in writing to the  
 16 resident who is selling the mobile home.

17 DIVISION XI

18 RENTAL AGREEMENT TERMS

19 Sec. 31. Section 562B.11, subsection 1, paragraph e, Code  
 20 2026, is amended to read as follows:

21 e. Agrees to modify the physical characteristics or equipment  
 22 of the mobile home, manufactured home, or modular home in a way  
 23 that would substantially impair the ability of the tenant to move  
 24 the home from the mobile home space, unless such modification is  
 25 required by federal law, including but not limited to the model  
 26 manufactured home installation standards, 24 C.F.R. pt. 3285, the  
 27 manufactured home construction and safety standards, 24 C.F.R.  
 28 pt. 3280, or the manufactured home procedural and enforcement  
 29 regulations, 24 C.F.R. pt. 3282, or by state or local law, the  
 30 manufacturer's installation instructions, any requirement arising  
 31 from the landlord's financing of the home or of the mobile home  
 32 park or manufactured home community in which the home is located,  
 33 or unless such modification is otherwise necessary for the safe  
 34 and proper installation of the home.

35 Sec. 32. Section 562B.11, subsection 1, Code 2026, is amended

1 by adding the following new paragraphs:

2 NEW PARAGRAPH. *f.* Authorizes imposition of fines, penalties,  
3 or fees solely as a punishment or in amounts in excess of actual  
4 damages or costs incurred.

5 NEW PARAGRAPH. *g.* Authorizes a person to confess judgment on  
6 a claim arising out of the rental agreement.

7 NEW PARAGRAPH. *h.* Authorizes prohibitions, limitations,  
8 additional deposits, or other restrictive policies that are not  
9 based on ordinary wear and tear expected to occur during a  
10 tenancy or that are not based on community safety standards.

11 Sec. 33. Section 562B.11, subsection 3, Code 2026, is amended  
12 to read as follows:

13 3. A provision prohibited by this section included in a  
14 rental agreement is unenforceable. If a landlord ~~or tenant~~  
15 knowingly and willfully uses a rental agreement containing  
16 provisions known to be prohibited by this chapter, the ~~other~~  
17 ~~party~~ tenant may recover actual damages sustained by the tenant  
18 and not more than three months' periodic rent and reasonable  
19 attorney fees.

20 DIVISION XII

21 RENTAL DEPOSITS

22 Sec. 34. Section 562B.7, subsection 12, Code 2026, is amended  
23 to read as follows:

24 12. "*Rental deposit*" means a deposit of money to secure  
25 performance of a ~~mobile home space~~ rental agreement under this  
26 chapter ~~other than a deposit which is exclusively in advance~~  
27 ~~payment of rent.~~

28 Sec. 35. Section 562B.13, subsection 2, Code 2026, is amended  
29 to read as follows:

30 2. All rental deposits shall be held by the landlord for  
31 the tenant, who is a party to the agreement, in a bank, credit  
32 union, or savings and loan association which is insured by an  
33 agency of the federal government. Rental deposits shall not be  
34 commingled with the personal funds of the landlord. All rental  
35 deposits may be held in a trust account, which may be a common

1 trust account and which may be an interest-bearing account. Any  
2 interest earned on a rental deposit during the first five years  
3 of a tenancy shall be the property of the landlord.

4 Sec. 36. Section 562B.13, Code 2026, is amended by adding the  
5 following new subsection:

6 NEW SUBSECTION. 9. The court may, in any action on a rental  
7 agreement, award reasonable attorney fees to the prevailing  
8 party.

9 DIVISION XIII

10 NONJUDICIAL FORECLOSURE

11 Sec. 37. Section 654.18, Code 2026, is amended by adding the  
12 following new subsection:

13 NEW SUBSECTION. 5. Actions under this section initiated on  
14 or after July 1, 2026, shall not be allowed for property  
15 consisting of a mobile home as defined in section 562B.7.

16 Sec. 38. Section 655A.9, Code 2026, is amended to read as  
17 follows:

18 **655A.9 Application of chapter.**

19 1. This chapter does not apply to real estate used for an  
20 agricultural purpose as defined in section 535.13, or to a one or  
21 two family dwelling which is, at the time of the initiation of  
22 the foreclosure, occupied by a legal or equitable titleholder.

23 2. Actions under this chapter initiated on or after July 1,  
24 2026, shall not be allowed for property consisting of a mobile  
25 home as defined in section 562B.7.

26 DIVISION XIV

27 RETALIATION

28 Sec. 39. Section 562B.32, subsection 1, paragraph a, Code  
29 2026, is amended to read as follows:

30 a. The tenant has complained to a governmental agency charged  
31 ~~with responsibility for enforcement of a building or housing code~~  
32 ~~of a violation applicable to the manufactured home community~~  
33 ~~or mobile home park materially affecting health and safety or~~  
34 other group relating to assisting tenants. For this subsection  
35 paragraph to apply, a complaint filed with a governmental body or

1 group must be in good faith.

2 DIVISION XV

3 CAPITAL GAIN TAXES EXCLUSION

4 Sec. 40. Section 422.7, Code 2026, is amended by adding the  
5 following new subsection:

6 NEW SUBSECTION. 46. a. Subtract, to the extent included,  
7 the net capital gain from the sale or exchange of a mobile home  
8 park.

9 b. To qualify under this subsection, the sale must be made to  
10 any of the following:

11 (1) A tenants' association or a mobile home park residents'  
12 association.

13 (2) A nonprofit organization under section 501(c)(3) of the  
14 Internal Revenue Code that purchases a mobile home park on  
15 behalf of a tenants' association or mobile home park residents'  
16 association.

17 (3) A county housing authority.

18 (4) A municipal housing authority.

19 c. If the eligible business is a partnership, S corporation,  
20 limited liability company, or estate or trust electing to have  
21 the income taxed directly to the individual, an individual  
22 may claim the tax credit allowed. The amount claimed by  
23 the individual shall be based upon the pro rata share of the  
24 individual's earnings of the partnership, S corporation, limited  
25 liability company, or estate or trust.

26 d. For the purpose of this subsection, "tenants' association"  
27 or "mobile home park residents' association" means a group of six  
28 or more tenants who reside in a mobile home park, have organized  
29 for the purpose of eventual purchase of the mobile home park,  
30 have established bylaws of the association, and have obtained the  
31 approval by vote of at least fifty-one percent of the residents  
32 of the mobile home park to purchase the mobile home park.

33 Sec. 41. Section 422.35, Code 2026, is amended by adding the  
34 following new subsection:

35 NEW SUBSECTION. 15. a. Subtract, to the extent included,

1 the net capital gain from the sale or exchange of a mobile home  
2 park.

3 b. To qualify under this subsection, the sale must be made to  
4 any of the following:

5 (1) A tenants' association or a mobile home park residents'  
6 association.

7 (2) A nonprofit organization under section 501(c)(3) of the  
8 Internal Revenue Code that purchases a mobile home park on  
9 behalf of a tenants' association or mobile home park residents'  
10 association.

11 (3) A county housing authority.

12 (4) A municipal housing authority.

13 c. For the purpose of this subsection, "tenants' association"  
14 or "mobile home park residents' association" means a group of six  
15 or more tenants who reside in a mobile home park, have organized  
16 for the purpose of eventual purchase of the mobile home park,  
17 have established bylaws of the association, and have obtained the  
18 approval by vote of at least fifty-one percent of the residents  
19 of the mobile home park to purchase the mobile home park.

20 EXPLANATION

21 The inclusion of this explanation does not constitute agreement with  
22 the explanation's substance by the members of the general assembly.

23 This bill relates to property law.

24 GROUNDS FOR TERMINATION OF TENANCY. The bill prohibits a  
25 landlord from terminating a tenancy unless the tenant acts in  
26 material noncompliance with the rental agreement, commits a  
27 material violation of the manufactured home community or mobile  
28 home park rules or regulations, or commits any other violation  
29 of Code chapter 562B for which termination is a remedy; or for a  
30 legitimate and material business reason, the impact of which is  
31 not specific to one tenant; or due to a change in the use of the  
32 land, and such change is grounds for termination or nonrenewal  
33 under the rental agreement.

34 This division of the bill takes effect upon enactment and  
35 applies to terminations of tenancies on or after that date.

1 CONSUMER FRAUD. The bill provides that a violation of Code  
2 chapter 562B by a landlord or the landlord's agent is an unlawful  
3 practice under Code section 714.16, governing consumer frauds.  
4 Several types of remedies are available if a court finds that a  
5 person has committed an unlawful practice, including injunctive  
6 relief, disgorgement of moneys or property, and a civil penalty  
7 not to exceed \$40,000 per violation.

8 This division of the bill takes effect upon enactment and  
9 applies to violations of Code chapter 562B occurring on or after  
10 that date.

11 RENT INCREASES. The bill strikes changes to the definition  
12 of "rent" made by the general assembly in 2022 and modifies  
13 provisions governing an increase in the amount of rent paid  
14 by a tenant. The bill prohibits a landlord from increasing  
15 rent unless the tenant is notified in writing of the rent  
16 increase at least 180 days before the effective date of the rent  
17 increase. The bill further provides that the effective date of  
18 any rent increase shall not be less than one year from either the  
19 effective date of the most recent rent increase or the beginning  
20 of the tenancy, whichever is later.

21 A landlord may increase the amount of rent due by any tenant  
22 in an amount greater than the average annual increase of the  
23 consumer price index for all urban consumers in the midwest  
24 region for the most recently available preceding 36-month period,  
25 if the landlord demonstrates a number of conditions set forth in  
26 the bill. The bill also requires the written notice of a rent  
27 increase provided to the tenant to include the specific reasons  
28 and justifications for the increase. A decrease in the number  
29 or quality of amenities, services, or utilities provided under  
30 the rental agreement without a corresponding and proportionate  
31 reduction in rent shall be considered a rent increase for the  
32 purposes of Code chapter 562B.

33 This division of the bill takes effect upon enactment  
34 and includes applicability provisions for certain requirements  
35 related to rent increases.

1 LANDLORD REMEDIES AND PROCEDURES. Current law caps late fees  
2 on rental agreements in which rent is greater than \$700 per month  
3 at \$20 per day and \$100 per month. The bill allows a rental  
4 agreement to provide for late fees not to exceed 2 percent of  
5 the rent per day and 10 percent of the rent per month when  
6 rent exceeds \$1,400 per month. The bill undoes changes made to  
7 Code section 562B.10(7)(a) made by the general assembly in 2022  
8 relating occupancy by heirs and personal representatives of a  
9 decedent's estate.

10 MANUFACTURED HOUSING PROGRAM FUND. Under current law, the  
11 manufactured housing program fund is used for the purpose of  
12 providing funding to financial institutions or other lenders to  
13 finance the purchase by an individual of a compliant manufactured  
14 home. The bill strikes language providing that the fund is  
15 designed exclusively for manufactured homes sited on leased land.

16 TENANT COUNTERCLAIM FOR LANDLORD NONCOMPLIANCE. The bill  
17 amends Code section 562B.25, relating to actions by a landlord  
18 for noncompliance with a rental agreement by a tenant or failure  
19 to pay rent, by establishing authority and procedures similar  
20 to those under Code section 562A.24 (landlord's noncompliance as  
21 defense to action for possession or rent — uniform residential  
22 landlord and tenant Act). In a landlord's action for possession  
23 based upon nonpayment of rent or in an action for rent where  
24 the tenant is in possession, the tenant may counterclaim for an  
25 amount which the tenant may recover under the rental agreement or  
26 Code chapter 562B, and pay into court all or part of the rent.  
27 If the defense or counterclaim by the tenant is without merit and  
28 is not raised in good faith, the landlord may recover reasonable  
29 attorney fees. Additionally, in an action for rent where the  
30 tenant is not in possession, the tenant may counterclaim but is  
31 not required to pay any rent into court.

32 This division of the bill takes effect upon enactment and  
33 applies to actions for possession filed on or after that date.

34 UTILITY CHARGES. The bill provides that a landlord that is  
35 responsible for payment of utilities being provided to the tenant

1 shall not charge to the tenant an amount in excess of the actual  
2 cost of the utility and the failure of a tenant to pay utility  
3 charges that exceed the actual cost of the utility provided shall  
4 not be considered noncompliance with the rental agreement. In  
5 addition to the actual cost of the utility, the bill authorizes  
6 a landlord that is responsible for the payment of one or more  
7 utilities to impose a monthly utility administration fee to each  
8 tenant not to exceed \$5 per month, regardless of the number of  
9 utilities being provided or the actual cost of the utilities  
10 being provided. The bill also provides that a violation of the  
11 limitation on utility charges is a violation of Code section  
12 714H.3 (private right of action for consumer frauds).

13 UNLAWFUL OUSTER. The bill amends Code section 562B.24 relating  
14 to a tenant's remedies for a landlord's unlawful ouster or  
15 exclusion or diminution of services. The bill adds reasonable  
16 attorney fees to the list of recoverable damages and provides  
17 that if the rental agreement is terminated, the landlord shall  
18 return all prepaid rent and security.

19 This division of the bill takes effect upon enactment and  
20 applies to actions under Code section 562B.24 filed on or after  
21 that date.

22 TENANT CORRECTING DEFICIENCIES. The bill provides that in any  
23 action by a landlord for possession based upon nonpayment of  
24 rent, proof by the tenant of certain actions set forth in the  
25 bill are a defense to any action or claim for possession by the  
26 landlord, and the amounts expended by the tenant in correcting  
27 the deficiencies shall be deducted from the amount claimed by the  
28 landlord as unpaid rent.

29 This division of the bill takes effect upon enactment and  
30 applies to actions by a landlord for possession filed on or after  
31 that date.

32 DENIAL OF RENTAL OR REFUSAL OF SALE. Code section  
33 562B.19(3)(a) prohibits a landlord from denying rental unless  
34 the tenant or prospective tenant cannot conform to manufactured  
35 home community or park rules and regulations. The bill

1 requires any such decision to conform to recognized principles,  
2 rules, and standards generally accepted by the professional  
3 manufactured home community or park industry to ensure the  
4 commercially reasonable safety and financial security of  
5 comparable manufactured home communities or parks. The bill also  
6 requires a landlord to deliver the decision in writing to the  
7 tenant or prospective tenant as soon as commercially feasible and  
8 to provide the basis for a denial in writing to the tenant or  
9 prospective tenant at the time of the decision.

10 Code section 562B.19(3)(c) prohibits a landlord from denying  
11 any resident of a manufactured home community or mobile home  
12 park the right to sell that person's mobile home at a price  
13 of the person's own choosing, but provides that the landlord  
14 has the right to approve the purchaser as a tenant but such  
15 permission may not be unreasonably withheld. The bill allows  
16 such permission to be withheld only for a legitimate business  
17 reason within the recognized principles, rules, and standards  
18 accepted by the industry. If the landlord refuses to approve  
19 the purchaser as a tenant, the landlord must provide a legitimate  
20 business reason for the refusal in writing to the resident.

21 RENTAL AGREEMENT TERMS. The bill adds to the list of  
22 prohibited rental agreement provisions in Code section 562B.11  
23 a provision requiring agreement to modify the physical  
24 characteristics or equipment of the mobile home, manufactured  
25 home, or modular home if such modification impairs the ability  
26 of the tenant to move the home, unless otherwise required by law  
27 or local ordinance.

28 The bill prohibits rental agreements under Code chapter 562B  
29 from providing that the tenant or landlord does any of the  
30 following: (1) authorizes imposition of fines, penalties, or  
31 fees solely as a punishment or in amounts in excess of actual  
32 damages or costs incurred, (2) authorizes a person to confess  
33 judgment on a claim arising out of the rental agreement, and  
34 (3) authorizes prohibitions, limitations, additional deposits, or  
35 other restrictive policies that are not based on ordinary wear

1 and tear or that are not based on community safety standards.

2 The bill provides that a tenant may recover up to three  
3 months' rent and attorney fees for a landlord's knowing  
4 and willful use of a rental agreement containing prohibited  
5 provisions. The bill also removes the ability of the landlord to  
6 recover from the tenant for use of a rental agreement containing  
7 prohibited provisions.

8 RENTAL DEPOSITS. The bill modifies the definition of "rental  
9 deposit" for purposes of Code chapter 562B, provides that the  
10 landlord is only entitled to the interest earned on the rental  
11 deposit for the first five years of the tenancy, and establishes  
12 authority for a court, in any action on a rental agreement, to  
13 award reasonable attorney fees to the prevailing party.

14 NONJUDICIAL FORECLOSURE. The bill excludes mobile homes from  
15 the applicability of nonjudicial foreclosure provisions.

16 RETALIATION. Code section 562B.32(1) generally provides that  
17 a landlord shall not retaliate by increasing rent or decreasing  
18 services or by bringing or threatening to bring an action for  
19 possession or by failing to renew a rental agreement after the  
20 exercise or assertion of several specified rights and remedies,  
21 including complaining to a governmental agency charged with  
22 responsibility for enforcement of a building or housing code  
23 of a violation applicable to the manufactured home community or  
24 mobile home park materially affecting health and safety. The  
25 bill instead provides that a landlord cannot retaliate against  
26 a tenant for filing a good-faith complaint with a governmental  
27 agency or other group relating to assisting tenants.

28 CAPITAL GAIN TAX EXCLUSION. The bill creates a capital gain  
29 exclusion from sale of a mobile home park to certain entities set  
30 forth in the bill.