



**COLORADO**

**Department of  
Regulatory Agencies**

Colorado Office of Policy, Research &  
Regulatory Reform

**2018 Sunrise Review:  
Manufactured Housing Community Owners  
and Managers**

*October 15, 2018*



**COLORADO**

**Department of  
Regulatory Agencies**

Executive Director's Office

October 15, 2018

Members of the Colorado General Assembly  
c/o the Office of Legislative Legal Services  
State Capitol Building  
Denver, Colorado 80203

Dear Members of the General Assembly:

The General Assembly established the sunrise review process in 1985 as a way to determine whether regulation of a certain profession or occupation is necessary before enacting laws for such regulation and to determine the least restrictive regulatory alternative consistent with the public interest. Since that time, Colorado's sunrise process has gained national recognition and is routinely highlighted as a best practice as governments seek to streamline regulation and increase efficiencies.

Section 24-34-104.1, Colorado Revised Statutes, directs the Department of Regulatory Agencies to conduct an analysis and evaluation of proposed regulation to determine whether the public needs, and would benefit from, the regulation.

The Colorado Office of Policy, Research and Regulatory Reform (COPRRR), located within my office, is responsible for fulfilling these statutory mandates. Accordingly, COPRRR has completed its evaluation of the sunrise application for regulation of manufactured housing community owners and managers and is pleased to submit this written report.

The report discusses the question of whether there is a need for regulation in order to protect the public from potential harm, whether regulation would serve to mitigate the potential harm, and whether the public can be adequately protected by other means in a more cost-effective manner.

Sincerely,

A handwritten signature in blue ink that reads "Marguerite Salazar".

Marguerite Salazar  
Executive Director



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## Background

Consistent, flexible, and fair regulatory oversight assures consumers, professionals and businesses an equitable playing field. All Coloradans share a long-term, common interest in a fair marketplace where consumers are protected. Regulation, if done appropriately, should protect consumers. If consumers are not better protected and competition is hindered, then regulation may not be the answer.

As regulatory programs relate to individual professionals, such programs typically entail the establishment of minimum standards for initial entry and continued participation in a given profession or occupation. This serves to protect the public from incompetent practitioners. Similarly, such programs provide a vehicle for limiting or removing from practice those practitioners deemed to have harmed the public.

From a practitioner perspective, regulation can lead to increased prestige and higher income. Accordingly, regulatory programs are often championed by those who will be the subject of regulation.

On the other hand, by erecting barriers to entry into a given profession or occupation, even when justified, regulation can serve to restrict the supply of practitioners. This not only limits consumer choice, but can also lead to an increase in the cost of services.

There are also several levels of regulation.

## Licensure

Licensure is the most restrictive form of regulation, yet it provides the greatest level of public protection. Licensing programs typically involve the completion of a prescribed educational program (usually college level or higher) and the passage of an examination that is designed to measure a minimal level of competency. These types of programs usually entail title protection - only those individuals who are properly licensed may use a particular title(s) - and practice exclusivity - only those individuals who are properly licensed may engage in the particular practice. While these requirements can be viewed as barriers to entry, they also afford the highest level of consumer protection in that they ensure that only those who are deemed competent may practice and the public is alerted to those who may practice by the title(s) used.

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## **Certification**

Certification programs offer a level of consumer protection similar to licensing programs, but the barriers to entry are generally lower. The required educational program may be more vocational in nature, but the required examination should still measure a minimal level of competency. Additionally, certification programs typically involve a non-governmental entity that establishes the training requirements and owns and administers the examination. State certification is made conditional upon the individual practitioner obtaining and maintaining the relevant private credential. These types of programs also usually entail title protection and practice exclusivity.

While the aforementioned requirements can still be viewed as barriers to entry, they afford a level of consumer protection that is lower than a licensing program. They ensure that only those who are deemed competent may practice and the public is alerted to those who may practice by the title(s) used.

## **Registration**

Registration programs can serve to protect the public with minimal barriers to entry. A typical registration program involves an individual satisfying certain prescribed requirements - typically non-practice related items, such as insurance or the use of a disclosure form - and the state, in turn, placing that individual on the pertinent registry. These types of programs can entail title protection and practice exclusivity. Since the barriers to entry in registration programs are relatively low, registration programs are generally best suited to those professions and occupations where the risk of public harm is relatively low, but nevertheless present. In short, registration programs serve to notify the state of which individuals are engaging in the relevant practice and to notify the public of those who may practice by the title(s) used.

## **Title Protection**

Finally, title protection programs represent one of the lowest levels of regulation. Only those who satisfy certain prescribed requirements may use the relevant prescribed title(s). Practitioners need not register or otherwise notify the state that they are engaging in the relevant practice, and practice exclusivity does not attach. In other words, anyone may engage in the particular practice, but only those who satisfy the prescribed requirements may use the enumerated title(s). This serves to indirectly ensure a minimal level of competency - depending upon the prescribed preconditions for use of the protected title(s) - and the public is alerted to the qualifications of those who may use the particular title(s).

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Licensing, certification and registration programs also typically involve some kind of mechanism for removing individuals from practice when such individuals engage in enumerated proscribed activities. This is generally not the case with title protection programs.

## **Regulation of Businesses**

Regulatory programs involving businesses are typically in place to enhance public safety, as with a salon or pharmacy. These programs also help to ensure financial solvency and reliability of continued service for consumers, such as with a public utility, a bank or an insurance company.

Activities can involve auditing of certain capital, bookkeeping and other recordkeeping requirements, such as filing quarterly financial statements with the regulator. Other programs may require onsite examinations of financial records, safety features or service records.

Although these programs are intended to enhance public protection and reliability of service for consumers, costs of compliance are a factor. These administrative costs, if too burdensome, may be passed on to consumers.

## **Sunrise Process**

Colorado law, section 24-34-104.1, Colorado Revised Statutes (C.R.S.), requires that individuals or groups proposing legislation to regulate any occupation or profession first submit information to the Department of Regulatory Agencies (DORA) for the purposes of a sunrise review. The intent of the law is to impose regulation on occupations and professions only when it is necessary to protect the public health, safety or welfare. DORA's Colorado Office of Policy, Research and Regulatory Reform (COPRRR) must prepare a report evaluating the justification for regulation based upon the criteria contained in the sunrise statute:<sup>1</sup>

(I) Whether the unregulated practice of the occupation or profession clearly harms or endangers the health, safety, or welfare of the public, and whether the potential for the harm is easily recognizable and not remote or dependent upon tenuous argument;

(II) Whether the public needs, and can reasonably be expected to benefit from, an assurance of initial and continuing professional or occupational competence;

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<sup>1</sup> § 24-34-104.1(4)(b), C.R.S.

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(III) Whether the public can be adequately protected by other means in a more cost-effective manner; and

(IV) Whether the imposition of any disqualifications on applicants for licensure, certification, relicensure, or recertification based on criminal history serves public safety or commercial or consumer protection interests.

Any professional or occupational group or organization, any individual, or any other interested party may submit an application for the regulation of an unregulated occupation or profession. Applications must be accompanied by supporting signatures and must include a description of the proposed regulation and justification for such regulation.

## **Methodology**

During the sunrise review process, COPRRR staff performed a literature search; contacted and interviewed the sunrise applicant; reviewed licensure laws in other states; and interviewed owners of manufactured homes as well as representatives of manufactured housing community owners. To determine the number and types of complaints filed against manufactured housing community owners and managers in Colorado, COPRRR staff contacted the Attorney General's Office, Consumer Protection Section; the Colorado Public Utilities Commission; the Water Quality Division of the Colorado Department of Public Health and Environment; the Building and Codes Section within the Division of Housing of the Colorado Department of Local Affairs; and the Colorado Civil Rights Division within DORA.

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## Profile of the Profession

To understand the duties of manufactured housing community owners and managers, it is important to provide some information about the manufactured housing industry.

The terminology surrounding this industry can be confusing. For example, the term “mobile home” is somewhat of a misnomer, because many mobile homes either cannot be moved or can only be moved at significant expense.

Second, “mobile home” in some contexts means homes that were built before 1976, when the United States Department of Housing and Urban Development imposed quality standards for factory-built homes; a home built after 1976 is a “manufactured home.” For the purposes of this report, the term “manufactured home” is used in a general sense to include all prefabricated residential structures.

Roughly 100,000 Coloradans live in manufactured homes. Among homeowners who purchased a manufactured home in 2016, 66 percent also owned the land upon which the home sat.<sup>2</sup> The remaining 34 percent of homeowners rented the land the home sat upon from a manufactured housing community. This is the scenario pertinent to this report.

Colorado law defines a manufactured housing community as:<sup>3</sup>

...a parcel of land used for the continuous accommodation of five or more occupied mobile homes and operated for the pecuniary benefit of the owner of the parcel of land, his agents, lessees, or assignees.

In return for a monthly rental fee, manufactured housing communities provide the space for the home. Community owners are responsible for maintaining the sewer and utility lines that serve each space and they may offer amenities such as clubhouses and swimming pools. In November 2017, there were about 938 manufactured housing communities in Colorado.

Manufactured housing community owners and managers do exactly what their respective titles indicate: they own or manage manufactured housing communities.

Community owners do not typically live on-site at the community; some even live out of state. Owners can be individuals or corporations, and they may own a single Colorado community or numerous communities in multiple states. Generally, community owners provide high-level management of the community and hire the people who staff the community, most notably, community managers. Large, corporate owners might hire a regional manager (e.g., someone to manage

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<sup>2</sup> Colorado Center of Law and Policy. *Financing Manufactured Homes: A Potential Asset and Wealth Building Strategy* (October 2017).

<sup>3</sup> § 38-12-201.5(3), C.R.S.

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communities in a several states) who would then be responsible for hiring on-site community managers.

Community managers interact with homeowners on a regular basis and are engaged with the day-to-day operations of the community: collecting rent, overseeing maintenance, ensuring homeowners' compliance with community rules, addressing concerns, and fielding complaints. Community managers sometimes live on-site.

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## Proposal for Regulation

The Colorado Coalition of Manufactured Homeowners (Applicant) submitted a sunrise application to the Colorado Office of Policy, Research, and Regulatory Reform in accordance with the provisions of section 24-34-104.1, Colorado Revised Statutes. The Applicant requests that the owners and managers of manufactured housing communities be licensed. The Applicant did not provide details on what specific requirements applicants should have to meet to qualify for a license.

Under a typical licensing regime, an applicant for a license would have to accrue a specified amount of education and pass an examination designed to ensure that a person possesses the minimal level of competency to act in the designated profession.

There are no pertinent education programs or examinations available for manufactured housing community owners or managers. There are no private credentialing bodies identified for these occupations. Currently, owners and managers acquire their knowledge and skills through on-the-job training. The Rocky Mountain Home Association, an organization representing community owners, periodically offers its members training courses addressing community management, applicable state and federal laws, and other topics: such training is voluntary.

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## Summary of Current Regulation

### Federal Laws and Regulations

The federal Department of Housing and Urban Development (HUD) establishes safety standards for the design, construction, and installation of manufactured homes. The standards apply to all homes built after June 15, 1976. HUD enforces the standards in tandem with state administrative agencies, and anyone selling, renting, or offering to sell or lease a home that does not meet established standards may be subject to civil or criminal penalties. HUD does not oversee the land where such homes are sited or impose any regulatory requirements on community owners or managers.

As renters of the land upon which their homes sit, owners of manufactured homes are protected by the federal Fair Housing Act, which prohibits discrimination on the basis of race, religion, disability, familial status, national origin or sex in the financing, rental, or sale of housing.

### The Colorado Regulatory Environment

#### Mobile Home Park Act

Section 38-12-200.1, *et seq.*, Colorado Revised Statutes (C.R.S.), known by the short title “Mobile Home Park Act” (Act), is part of Colorado’s landlord and tenant law. The Act “establish[es] the relationship between the owner of a mobile home park and the owner of a mobile home situated in such park.”<sup>4</sup> The Act provides a fairly detailed framework for the management of such communities. Among other things, the Act:

- Requires that a written lease or rental agreement between the homeowner and the community owner be in place<sup>5</sup> and establishes what terms the rental agreement must include;<sup>6</sup>
- Lays out the grounds upon which a homeowner’s tenancy at the community might be terminated;<sup>7</sup>
- Establishes the required notice periods for rent increases,<sup>8</sup> for any water outages that are necessary to conduct planned maintenance,<sup>9</sup> and for any changes in the community ownership or in land use (i.e., if the owner intends to close the community and use the land for another purpose);<sup>10</sup> and

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<sup>4</sup> § 38-12-200.2, C.R.S.

<sup>5</sup> § 38-12-202(1)(a), C.R.S.

<sup>6</sup> § 38-12-213(1), C.R.S.

<sup>7</sup> § 38-12-203(1), C.R.S.

<sup>8</sup> § 38-12-204(2), C.R.S.

<sup>9</sup> § 38-12-212.3(1)(c), C.R.S.

<sup>10</sup> § 38-12-217(1), C.R.S.

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- Expressly permits the formation of homeowners associations<sup>11</sup> and homeowner cooperatives that intend to purchase or finance a manufactured housing community.<sup>12</sup>

Community management must adopt rules and regulations governing the manufactured housing community<sup>13</sup> and provide them to homeowners as part of the initial rental agreement.<sup>14</sup> The Act stipulates that the rules are enforceable only if their purpose is to promote the safety or convenience of homeowners and if they are reasonably related to the purpose for which they were adopted. Rules cannot be retaliatory or discriminatory in nature and must be explicit enough that it is clear to the homeowners how to comply.<sup>15</sup>

Community owners may change the rules any time with homeowners' consent: they may change rules without homeowners' consent with 60 days written notice.<sup>16</sup>

The Act does not impose any regulations on manufactured housing community owners or managers. However, the Act does define certain responsibilities for community owners. Specifically, they are responsible for completing and paying for the maintenance and repair of:<sup>17</sup>

- Sewer, water, and utility service lines and related connections they own and provide for manufactured homes within the community;
- Any structures, such as sheds and carports that the owners provide for the use of the homeowners; and
- The premises, meaning the community, its grounds, and any existing facilities held out for homeowners' use.<sup>18</sup>

Landlords who fail to perform this required maintenance are responsible for any damages to the manufactured home that occur as a result.<sup>19</sup>

The Act does not vest a state agency with enforcement of the Act. Homeowners believing that a community owner has violated the Act may file suit in civil court. If the homeowner prevails in court, the homeowner is entitled to reimbursement of reasonable legal costs as well as actual economic damages.<sup>20</sup>

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<sup>11</sup> § 38-12-206, C.R.S.

<sup>12</sup> § 38-12-218, C.R.S.

<sup>13</sup> § 38-12-214(1), C.R.S.

<sup>14</sup> § 38-12-213(1)(d), C.R.S.

<sup>15</sup> § 38-12-214(1), C.R.S.

<sup>16</sup> § 38-12-203(1)(c), C.R.S.

<sup>17</sup> § 38-12-212.3(1), C.R.S.

<sup>18</sup> § 38-12-201.5(5), C.R.S.

<sup>19</sup> § 38-12-212.3(1)(b), C.R.S.

<sup>20</sup> § 38-12-220, C.R.S.

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## Other Colorado Laws

Various other Colorado laws apply to manufactured housing communities.

Section 24-32-3303, C.R.S., vests the Division of Housing within the Department of Local Affairs with the authority to enforce construction and maintenance standards for manufactured homes. The agency registers and certifies the manufacturers, dealers, and installers of manufactured homes and fields complaints from people who have had problems with a manufactured home. It does not have jurisdiction over community owners or managers.

Some manufactured housing communities operate as a public water system, meaning a system that either has at least 15 service connections or regularly provides drinking water to at least 25 people.<sup>21</sup> The Water Quality Control Division of the Colorado Department of Public Health and Environment has jurisdiction over the quality of the water provided by public water systems.

The Public Utilities Commission (PUC) has jurisdiction over entities that receive an aggregate bill for utility service and then bill customers for their individual use. In many cases, manufactured housing communities operate as either master meter operators for gas or electric service or aggregate water service providers.

Master meter operators purchase gas<sup>22</sup> or electric<sup>23</sup> service from a serving utility for the purpose of delivering that service to customers whose aggregate usage is measured by a master meter. Master-meter operators are exempt from rate regulation provided they bill customers only for the actual cost of the utility service and comply with the applicable rules.<sup>24</sup> People may complain to the PUC if they feel a master meter operator has violated the rules.<sup>25</sup>

Similarly, aggregate water service providers “[purchase] water service from a serving utility for the purpose of delivering that service to end users.”<sup>26</sup> People may complain to the PUC if they feel an aggregate water service provider has violated the applicable rules.

## Local Laws

Generally, local municipalities have jurisdiction over construction built on-site at manufactured housing communities, including utility connections and permanent foundations, as well as alterations, repairs, and additions to manufactured homes.

Some cities place additional requirements on manufactured housing communities.

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<sup>21</sup> § 25-1.5-201(1), C.R.S.

<sup>22</sup> 4 CCR § 723-4-4801(c), Public Utilities Commission Rules.

<sup>23</sup> 4 CCR § 723-3-3801(c), Public Utilities Commission Rules.

<sup>24</sup> 4 CCR § 723-3-3803 and 4803, Public Utilities Commission Rules.

<sup>25</sup> 4 CCR § 723-3-3805 and 4805, Public Utilities Commission Rules.

<sup>26</sup> 4 CCR § 723-5-5001(b), Public Utilities Commission Rules.

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For example, the City of Boulder requires those wishing to open a manufactured housing community to obtain a permit. The application must include information about the property, including the number and size of the manufactured home lots and water and sewer utility plans.<sup>27</sup> Boulder also limits community owners' ability to require homeowners to make upgrades to their homes, establishes that owners are responsible for maintaining trees within the community, prohibits retaliation against homeowners, requires landlords and homeowners to enter into mediation before bringing any action or complaint in court, and authorizes the Boulder City Manager to investigate alleged violations of the ordinances relating to manufactured homes. Though Boulder requires community owners to obtain an initial permit to operate a community, it does not impose any specific qualifications on community owners or managers.

The City of Federal Heights requires manufactured housing communities to be licensed prior to operation. Before a license can be issued, the city must determine that all applicable health and sanitation requirements have been met.<sup>28</sup> The City also requires community managers to be licensed: to qualify for a license, a person must be at least 21 years old, provide basic contact information and a description of the manufactured housing community he or she will be managing, and attest that they have read all applicable rules and ordinances relating to manufactured housing communities.<sup>29</sup> There are no education or examination requirements.

## Regulation in Other States

To determine how other states regulate manufactured housing community owners and managers, the Colorado Office of Policy, Research, and Regulatory Reform examined the laws of neighboring states—Kansas, Nebraska, New Mexico, Utah, and Wyoming—as well as those of California, Michigan, New York, and Texas.

Wyoming does not have any laws specifically governing mobile home communities.

Several states operate under a model similar to Colorado's:

- **Kansas** has a Mobile Home Parks Residential Landlord and Tenant Act.
- **Nebraska** has a Mobile Home Landlord and Tenant Act.
- **New Mexico** has a Mobile Home Park Act.
- **Texas** has laws governing manufactured home tenancies.
- **Utah** has a Mobile Home Park Residency Act.

The statutes listed above define the relationship between homeowners and community owners and their respective rights and responsibilities, and give the

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<sup>27</sup> Title 4, Chapter 14, Section 4-14-3, Boulder Municipal Code.

<sup>28</sup> Article VII, Div.5, Sec. 70-294, City of Federal Heights Municipal Code.

<sup>29</sup> Article VII, Div.5, Sec. 70-295, City of Federal Heights Municipal Code.

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parties a right to bring a civil suit in the event of a violation. Generally, the prevailing party in a civil suit may recover actual damages as well as reasonable attorney's fees; in New Mexico, owners can also be subject to civil penalties of \$500 per violation for specific violations of the law, such as increasing rent on less than 60 days' notice and failing to maintain utility lines. None of the above statutes impose minimum qualifications for manufactured housing community owners or managers.

It is important to note that while the above-listed states do not have an established statewide licensing or registration program for manufactured housing community owners or managers, or for the communities themselves, counties or municipalities within those states might have such requirements.

California and New York have more rigorous regulatory programs:

**California.** The California Mobile Home Parks Act establishes safety standards for mobile home communities, defines the responsibilities of community owners, and establishes within the Department of Housing and Community Development a manufactured housing community maintenance inspection program and an operator permit program for manufactured housing communities. In order to operate a manufactured housing community in California, the owner must apply for the permit and agree to operate the community in accordance with applicable laws and rules and to submit to any required inspections by the state. Although the owner is required to complete and sign the application, the permit itself is assigned to the community, meaning it is a business license, rather than an occupational or professional license. Owner applicants are not required to provide manager information. The department is responsible for enforcing the Mobile Home Park Act. Community owners pay an annual fee of \$140 per year, plus an additional \$7 per lot, to operate a manufactured housing community. California does not issue individual licenses to community owners or managers.

**New York.** A portion of the New York State Property Law governs manufactured housing communities. The law defines the relationship between homeowners and community owners and their respective rights and responsibilities, and also requires manufactured housing community owners to file an annual registration statement with the Commissioner of the Department of Housing and Community Renewal (DHCR). The registration statement must include the names of all community owners, a list of all services provided to the tenants, and a copy of the current rules governing the community. The law vests the DHCR Commissioner with the authority to enforce the law, and if the Commissioner determines that a manufactured housing community owner has violated the law, the Commissioner can seek injunctive relief in the courts on behalf of the people of New York. The court can impose civil penalties of up to \$1,500 per violation. New York does not issue individual licenses to community owners or managers.

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The state of Michigan has the most rigorous regulatory program of the states reviewed:

**Michigan.** Michigan's Mobile Home Commission Act, jointly vests an 11-member Mobile Home Commission and the Department of Commerce with the power to enforce the act. The act requires anyone seeking to operate a manufactured housing community to apply for a license. With the license application, the applicant must submit evidence of all required local government certifications and approvals relating to water, wastewater, sewage and electrical systems; pay a \$225 fee plus an additional \$3 for each additional home site above 25 home sites; and pass an inspection by the department. If the department determines that a manufactured housing community has violated the law, it can order the community owner to correct the violations: if the owner fails to do so, the department can file a motion for injunctive relief. The commission has the authority to censure, place limitations on, suspend, deny or revoke the license of a manufactured housing community owner. The commission can also impose a civil penalty of up to \$50,000.

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## Analysis and Recommendations

### Public Harm

The first sunrise criterion asks:

Whether the unregulated practice of the occupation or profession clearly harms or endangers the health, safety, or welfare of the public, and whether the potential for harm is easily recognizable and not remote or dependent on tenuous argument.

In order to determine whether the regulation of manufactured housing community owners or managers is necessary to protect the public, the Colorado Office of Policy, Research, and Regulatory Reform (COPRRR) asked the sunrise applicant (Applicant) to provide instances where the public was harmed by the unregulated practice of community owners or managers. The Applicant provided multiple examples of harm. A representative of COPRRR learned of additional examples from written submissions, interviews with stakeholders, and from media reports. The instances of harm are described and analyzed below.

Some correspondence received from owners of manufactured homes described dissatisfaction with neighbors within the community, and included complaints about loud music, barking dogs, rude interactions, and other matters. Because these grievances are not related to the unlicensed practice of manufactured housing community owners or managers, they are omitted here.

COPRRR also heard concerns from stakeholders about the potential sale and closure of Colorado manufactured housing communities, which could pose a considerable hardship and harm to homeowners. As Colorado land becomes more precious, particularly in desirable urban areas, there is considerable concern among homeowners that community owners will seek to close their communities, rezone the property to allow more lucrative redevelopment possibilities, and displace homeowners, who would then have to seek alternative housing in an extremely tight affordable housing market. While this is a critical discussion, it is not related to the unlicensed practice of manufactured housing community owners or managers and is omitted here.

#### **Issue 1: Retaliation**

The Applicant reported that:<sup>30</sup>

Homeowners sometimes receive “comply or vacate” notices for the most trivial issues and indeed even for supposed violations of rules that do not exist. This sometimes happens to homeowners

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<sup>30</sup> Sunrise Review Application, Manufactured Housing Community Owners and Managers.

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who have been brave enough to take advantage of the rights afforded them [by the Mobile Home Park Act] and form a homeowners' association as well as those who have testified before an elected body about conditions in their community.

COPRRR conducted an interview with a stakeholder who felt that the management of the community was targeting her because of her involvement in the homeowners' association. She cited examples of the management coming on to her property without permission and subjecting her to unfair water billing.

### **Analysis**

*Issuing “comply or vacate” notices for nonexistent violations would be a violation of the Mobile Home Park Act (Act), which clearly establishes the reasons the tenancy of a homeowner can be terminated. To issue a “comply or vacate” notice for a trivial violation is also arguably in violation of the Act, since it stipulates that the rules are enforceable only if their purpose is to promote the safety or convenience of homeowners and if they are reasonably related to the purpose for which they were adopted. Rules cannot be retaliatory or discriminatory in nature and must be explicit enough that it is clear to the homeowners how to comply.<sup>31</sup>*

*The Act expressly permits homeowners to form homeowners' associations,<sup>32</sup> but there is no specific language prohibiting retaliatory conduct by community management.*

*It is unlikely that the licensing of owners or managers would mitigate this harm.*

### **Issue 2: Threat of Eviction**

The Applicant reported that:<sup>33</sup>

While state law requires just cause in order to evict a homeowner from a manufactured housing community, often managers and owners will use “threat of eviction” to keep people “in line.” For instance, some homeowners who are issued a “quit or cure” notice<sup>34</sup> may simply sell their home as quickly as possible and for less than it is worth simply to avoid dealing with the issue; others will move because a language barrier means they do not fully

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<sup>31</sup> § 38-12-214(1), C.R.S.

<sup>32</sup> § 38-12-206, C.R.S.

<sup>33</sup> Sunrise Review Application for Manufactured Housing Community Owners and Managers.

<sup>34</sup> Under section 38-12-202(3), C.R.S., before community management can evict a homeowner for failing to comply with park rules, management must provide 30 days for the homeowner to “cure” the noncompliance.

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understand their situation or legal rights; and if someone is issued several quit or cure notices within a certain time frame, the stress of living with fear of eviction without any way to challenge the verity of the notices can add untold stress to their lives and those around them.

### **Analysis**

*As the Applicant notes, under state law, community owners must have just cause to evict a homeowner, but there is no process defined in state law that would allow homeowners to grieve a quit or cure notice. The looming threat of eviction could certainly create an unwelcoming atmosphere in the community, but this conduct does not indicate an incompetence by community owners or managers that would be resolved by raising the barrier to entry to become an owner or manager. It is unclear how the licensing of manufactured housing community owners or managers would address this issue.*

### **Issue 3: Discrimination/Harassment**

The Applicant reported that:<sup>35</sup>

In one community, a Latino homeowner was forced to redo his whole yard apparently because of the weeds growing—other yards were equally weed-ridden but these homeowners were not required to go through the labor and expense of redoing their yards, which included removing all the rocks, clearing out the yard and then replacing all the rocks.

One community owner commented on the record to a reporter that the park took a turn for the worse when the residents started to change. How so? He was asked. “They’re mostly Spanish now,” he said. “I don’t have anything against Spanish people—my daughter-in-law is Spanish—but they don’t follow the rules.”

Some homeowners for whom English is their second language have been harassed by management and told that it is illegal or against park rules for them to join the homeowners’ association in their park.

COPRRR received several more comments alleging discrimination by community owners and managers. In some communities where most homeowners are not native English-speakers, the language barrier can lead to a near-total lack of communication with management.

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<sup>35</sup> Sunrise Review Application for Manufactured Housing Community Owners and Managers.

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COPRRR also received comments about children being harassed by management for being too loud. In one instance, the community manager demanded to see the driver's license of a teenage child of Spanish-speaking parents as she drove through the community, and threatened to call Child Protective Services. Other homeowners reported community owners or managers threatening them with deportation.

According to the Colorado Civil Rights Division, since November 2016, there have been 19 complaints filed against manufactured housing communities. In two cases, the Commission found probable cause—meaning the evidence obtained during the investigation supported the complainant's allegation of discrimination. In three cases, the parties reached a settlement agreement before the investigation was completed. In four cases, no probable cause was found. The Division lacked jurisdiction in two cases, and in the remaining eight cases, the complainants did not complete the intake process.

**Analysis:**

*Homeowners living in manufactured housing communities are protected by state and federal anti-discrimination laws and may file complaints alleging discrimination with the U.S. Department of Housing and Urban Development's Office of Fair Housing and Equal Opportunity or the Colorado Civil Rights Division. It is illegal in Colorado to discriminate against someone in housing based on race, color, religion, national origin, sex, disability, marital status, familial status (children under the age of 18 in the household including pregnancy), sexual orientation (including transgender status), and retaliation (engaging in protected civil rights related activity, such as complaining of discrimination, or participating in a civil rights investigation).*

*Professional and occupational licensing laws are not designed to address discriminatory behavior, but federal and state anti-discrimination laws are.*

**Issue 4: Illegal Water Billing Fees**

The Applicant reported that:<sup>36</sup>

A community owner attempted to pass along the cost of water usage to the homeowners simply by issuing a notice alerting homeowners to the change. After a homeowner sued the corporation that owns the community, they settled the dispute and all homeowners will eventually receive compensation for the overpayments they made. However, not every homeowner is willing to take the risk to challenge the community owner's acts like this.

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<sup>36</sup> Sunrise Review Application for Manufactured Housing Community Owners and Managers.

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COPRRR received numerous comments about water billing. In one case, a homeowner received a \$900 water bill stating that she had used 60,800 gallons of water in a single month. This amount far exceeded the homeowner’s usual water use. The homeowner could not account for the dramatic increase in water usage, and neither she nor two different repair technicians she consulted could find any evidence of a leak in the home.

### **Analysis**

*Some manufactured housing communities act as aggregate water providers, and Public Utilities Commission (PUC) rules direct that aggregate water providers may only charge homeowners what they are charged by the water utility. The PUC has jurisdiction over complaints against aggregate water providers that might be in violation of this rule. The PUC reports that it receives two to three complaints per year and has not found a violation of the applicable laws.*

*It is unclear how the licensing of community owners and managers would mitigate this harm.*

### **Issue 5: Trespassing/Invasion of privacy**

The Applicant reported that:<sup>37</sup>

On-site managers have been known to enter the homeowners’ property without invitation and have even on occasion removed some of the skirting from the home without the [homeowners’] permission.

Another homeowner told COPRRR that management made changes on the homeowner’s property without permission. Other homeowners interviewed by COPRRR reported community management looking into their windows and otherwise failing to respect their privacy, including attempting to monitor homeowners’ visitors and overnight guests.

### **Analysis**

*There are legitimate reasons for community management to enter a homeowner’s property unannounced: to attach a mandatory notice to the homeowner’s door, for example, or to conduct an urgent repair. Other instances, however, might violate the homeowner’s right to “peaceful enjoyment”<sup>38</sup> of his or her home. Similarly, while the Act allows community owners to terminate the tenancy of homeowners whose guests damage*

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<sup>37</sup> Sunrise Review Application for Manufactured Housing Community Owners and Managers.

<sup>38</sup> § 38-12-219(1)(b), C.R.S.

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*property, engage in criminal conduct, or endanger other homeowners,<sup>39</sup> attempting to monitor a homeowner's visitors or guests could also infringe upon the homeowner's right to peaceful enjoyment of his or her home. Looking into a homeowner's window could be malicious conduct and could, in egregious cases, constitute a crime. If manufactured housing community owners and managers were licensed, perhaps their licenses could be subject to disciplinary action for this type of conduct.*

### **Issue 6: Failure to repair and maintain property**

The Applicant reported that:<sup>40</sup>

Roads within manufactured housing communities are privately owned by the community owner yet oftentimes they refuse to do snow removal with the potential of causing difficulty for emergency vehicles to access homes in the community and/or creating dangerous driving conditions so that homeowners are unable to get to work or appointments. One homeowner, who was trapped in her home because of the non-removal of snow, ended up being one day late on her rent payment and the landlord still insisted that she pay the late fee.

Landlords are often reluctant to take care of the various general repair and maintenance issues outlined in state law as their responsibility and instead often pass this responsibility on to the homeowner. For instance, one homeowner was extremely fearful that a large tree in her yard, which she did not plant, would cause damage to her home if there was a wind storm. It took many months of anxiety and challenging her landlord before he finally agreed to remove the tree.

The skirting on one homeowner's home was damaged by maintenance staff removing weeds from her yard prior to her moving into the home. The landlord refused to cover the cost of repairing the damage.

[The] [h]omeowner's lease states that she is responsible for the fence between properties but when [the] community owner decided that the fences were not pleasing to the eye, he forced the homeowner to cover the cost of removal. One homeowner faced this ordeal in order to comply with the park owner's whim:

I had 145 sq[ua]re feet of fence and was quoted \$300 to remove the fence by the park. In order to remove the

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<sup>39</sup> § 38-12-203(1)(f), C.R.S.

<sup>40</sup> Sunrise Review Application for Manufactured Housing Community Owners and Managers.

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fence in the seven days allowed, I also had to rearrange items stored in my yard and trim trees. So I asked for an extension from the manager and was denied. I removed my 100 sq[ua]re feet of fence and since the last 45 sq[ua]re feet was still up at the deadline date the maintenance workers came and took it down and I was charged \$200.

COPRRR received several examples in this vein. In one instance, community management told a homeowner that her home needed to be painted to comply with community rules. The homeowner obtained verbal approval of the color she wished to paint her home. After the painting was completed, management notified the homeowner that her chosen color was unacceptable, and that she would have to repaint it. She did so, at considerable effort and expense.

In another instance, community management gave a homeowner five days to remove a fence that management stated was not in compliance with community rules from around her home. She completed half of the work within that five-day period and asked for an extension to complete the work, since she and her boyfriend worked full-time and needed to complete it on the weekend. Community management denied her request, and ended up charging her \$300 for the fence removal. This amount reflected the cost of removing the entire fence, even though the homeowner had completed half of the work herself.

Another homeowner experienced a power outage at her home. She contacted the utility. When the utility came out to her home, it found that there was power at their terminal on the edge of the lot and found nothing wrong inside her home. However, the lines between the utility's terminal box and the home were defective. The utility indicated that the repair of this power line was the responsibility of the manufactured housing community. After some delay, the community arranged for the repair to be completed. The community told the homeowner the cost of the repair was the homeowner's responsibility. The homeowner refused to pay for the repair.

Other incidents were described in the *Boulder Daily Camera*:<sup>41</sup>

Residents told stories about being required to take down fences at their expense after they were required to install them, also at their own expense, years prior. Additionally, residents have been required to install awnings over front doors before they can sell their property – but allegedly have to pay the park owner to get the work done.

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<sup>41</sup> Jennifer Rios, "Broomfield mobile home residents air complaints," *Boulder Daily Camera*, April 30, 2018.

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## Analysis

*The Act defines the repair responsibilities of management and of homeowners, but there is no grievance process defined in state law for when the parties do not agree on who is responsible.*

*A consistent pattern of overcharging homeowners for repairs might qualify as a deceptive trade practice under the Colorado Consumer Protection Act.*

*If manufactured housing community owners and managers were licensed, perhaps their licenses could be subject to disciplinary action for this type of conduct. However, this would not necessarily make the homeowner whole, as in the cases where the homeowner was compelled to pay for expensive or unnecessary repairs.*

### **Issue 7: Rent and fee increases**

Stakeholders reported management increasing rent or charging unexpected fees without any explanation or any discernible improvement in the communities and stated that these increases are particularly concerning for low-income homeowners.

## Analysis

*While this is clearly a serious concern for homeowners, licensing manufactured housing community owners and managers would not prevent rent increases from occurring. The Act does address the notice required before rent is increased, but does not limit how often or how much rent can be raised and does not address the issue of fees. Changes to the Act might mitigate this harm.*

*A consistent pattern of overcharging homeowners for repairs might qualify as a deceptive trade practice under the Colorado Consumer Protection Act.*

### **Issue 8: Non-consensual towing**

Non-consensual towing occurs when a tow truck tows a motor vehicle without the authorization of the vehicle's owner. COPRRR received feedback about predatory towing within manufactured housing communities. One homeowner wrote:

[O]ne of my vehicles was towed out of my driveway on a Sunday afternoon for being parked slightly on the grass next to the driveway. ...I was upset because at the time we were home and there was no warning given and the vehicle was parked in the same position since Friday.

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Other allegations of predatory towing are described in media reports:

- A Thornton homeowner reported that “his wife’s car was towed after she misjudged their driveway in the snow. ‘The tire was on the dirt, or the landscape, as they say, off the driveway. And you can’t park on the landscape, so they towed it off.’”<sup>42</sup>
- Homeowners in one Broomfield manufactured housing community alleged that a towing company was “getting some sort of kickback from the park in return for towing residents.”<sup>43</sup> The *Boulder Daily Camera* reported that according to the Boulder Police, there were more than 600 towings reported in the park from January 2015 to November 2017.<sup>44</sup>

### Analysis

*The PUC has jurisdiction over non-consensual towing and investigates complaints from the public in this area. From January 2015 to April 2018, the PUC’s Transportation Section received 1,099 contacts from the public concerning non-consensual tows, making it by far the most common cause for transportation-related complaints. While it is unknown how many of these incidents occurred in manufactured housing communities, it is clear that non-consensual towing is causing harm to Coloradans.*

*However, towing companies usually operate under a contractual agreement with community management to enforce the community’s parking regulations. This means that towing companies generally bear some responsibility for a decision to tow a particular vehicle. The role of manufactured housing community owners and managers in these incidents is difficult to pinpoint.*

### Issue 9: Water quality issues

Stakeholders expressed concern about the safety of the drinking water within a certain manufactured housing community.

### Analysis

*If a manufactured housing community operates a water system that either has at least 15 service connections or regularly provides drinking water to at least 25 people, that system meets the definition of a public water system and is*

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<sup>42</sup> Theresa Marchetta, “Thornton mobile home owner’s fears reflect national crisis,” *Denver7*, May 4, 2018. Retrieved September 17, 2018, from <https://www.thedenverchannel.com/news/contact7/thornton-mobile-home-owners-fears-reflect-national-crisis>

<sup>43</sup> Jennifer Rios, “Broomfield mobile home residents air complaints,” *Boulder Daily Camera*, April 30, 2018. Retrieved September 17, 2018, from [http://www.dailycamera.com/ci\\_31838039/broomfield-mobile-home-park-residents-air-complaints](http://www.dailycamera.com/ci_31838039/broomfield-mobile-home-park-residents-air-complaints)

<sup>44</sup> Jennifer Rios, “Broomfield mobile home residents air complaints,” *Boulder Daily Camera*, April 30, 2018. Retrieved September 17, 2018, from [http://www.dailycamera.com/ci\\_31838039/broomfield-mobile-home-park-residents-air-complaints](http://www.dailycamera.com/ci_31838039/broomfield-mobile-home-park-residents-air-complaints)

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*subject to regulation by the Water Quality Control Division (Division) within the Colorado Department of Public Health and Environment. The Division reports jurisdiction over public water systems at 96 manufactured housing communities and has a rigorous testing and inspection process in place. This regulation is appropriately housed at the Division. This harm is not caused by a lack of professional competence by manufactured housing community owners or managers.*

Based on the instances received from the Applicant and other information COPRRR uncovered over the course of this review, practices and conditions within manufactured housing communities are causing harm to Coloradans. Since 2015, the Consumer Protection Section of the Colorado Attorney General's Office has received a total of 87 complaints relating to manufactured housing communities: 11 in 2015, 56 in 2016, 17 in 2017, and 3 in 2018. The nature of the harm, however, is not generally related to a lack of professional competence on the part of manufactured housing community owners or managers.

## **Need for Regulation**

The second sunrise criterion asks:

Whether the public needs and can reasonably be expected to benefit from an assurance of initial and continuing professional or occupational competence.

The Applicant submitted numerous examples of how Coloradans have been harmed by situations in manufactured housing communities. COPRRR discovered many additional instances of harm by conducting interviews and site visits. Further, there were numerous media reports outlining issues in manufactured housing communities. The instances of public harm discovered over the course of this review generally constitute violations of the Act, fair housing laws, and PUC rules. The harm is generally unrelated to a lack of professional or occupational competence on the part of manufactured housing community owners and managers. Rather, the harm, in most cases, seems to have been caused intentionally. Therefore, the public cannot be reasonably expected to benefit from an assurance of professional competency on the part of manufactured housing community owners and managers.

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## Alternatives to Regulation

The third sunrise criterion asks:

Whether the public can be adequately protected by other means in a more cost-effective manner.

The Applicant proposes licensing manufactured housing community owners and managers. Less restrictive regulatory regimes include certification and registration.

Though less stringent than licensing, certification typically requires a person to complete an education program and pass an examination that ensures the person is minimally competent to practice. Since competency is not the basis for the harm identified in this review, certification is not a viable alternative.

Registration programs have minimal barriers to entry. Under a registration program, a person satisfying certain non-practice-related requirements can be placed on a state registry of people authorized to perform certain tasks, e.g., operate a manufactured housing community. Registration programs typically require that an applicant submit contact information, and may also require applicants to present proof of insurance or attest that they are in compliance with rules and regulations. In the case of manufactured housing communities, most of the harm emanates from the conditions, rules, and management culture within the community. Though individual owners, and managers in particular, may be responsible for creating the conditions and enforcing the rules within the community, it might make more sense to develop a business registry for manufactured housing communities.

Under a typical registration program, the registrant would need to provide the actual address of the community and provide the name and mailing address of the owner. As a condition of appearing on the registry, the state could require the community owner to attest that the community was aware of and in compliance with the Act.

The Building Codes and Standards Section of the Department of Local Affairs (DOLA), which enforces federal standards on the design, construction, and installation of manufactured homes, would be the appropriate state agency to house such a registry. A business registration program would be a relatively cost-effective way to keep track of manufactured housing communities.

A statutorily required registry in itself would not give the state any power to enforce the Act, however. To enforce the Act would require the General Assembly to grant a state agency the power to investigate complaints, conduct investigations, and render disciplinary action against manufactured housing communities. There is no parallel for this type of regulation in Colorado landlord/tenant law.

Additionally, under section 12-61-101(2)(a), Colorado Revised Statutes (C.R.S.), in some limited circumstances, the on-site manager of a rental property must hold a real

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estate broker's license. However, sections 12-61-102(1)(b)(XII) and 12-61-101(2)(b)(XIII), C.R.S., exempt salaried employees of the owner of the apartment or condominium building or complex from this requirement. Managers of manufactured housing communities are typically salaried employees of the community owner. While the statutes could be changed to repeal the exemptions as they pertain to manufactured housing communities, this too would be unparalleled in Colorado landlord/tenant law.

Another option would be to define certain violations of the Act as deceptive trade practices under Colorado's Consumer Protection Act at section 6-1-105(1), C.R.S. Since the Attorney General already has the authority to investigate any deceptive trade practice beyond those listed in that section, it is unclear whether making this change would have any appreciable impact.

Interestingly, DOLA recently embarked on a major project to create and host a database platform of manufactured housing communities throughout Colorado. The project seeks to collect data on manufactured housing communities, including:

- The age and quality of the homes;
- The age and condition of the community's infrastructure;
- The development pressure surrounding individual communities (that is, which communities are at risk of closing);
- The local zoning and planning policies that are in place concerning existing communities;
- The number of repossessed homes;
- The number of rented homes;
- The number of vacancies in manufactured housing communities;
- The amount charged to rent a space in a manufactured housing community; and
- Information about the manufactured housing communities for sale and sold in Colorado.

Eventually, DOLA plans to provide a manufactured housing guidebook to assist local communities, affordable housing developers, and private citizens. No state law mandates this project, but it serves as a critical opportunity to gather data and will provide citizens with a central clearinghouse for information about manufactured housing communities in Colorado. While acknowledging that the information gleaned from the project will not help those homeowners who feel stranded in substandard communities, it might help those who are considering a move into manufactured housing. Manufactured housing communities are businesses, and more transparency about those businesses and how they compare to each other will allow citizens to make more informed decisions about where they choose to live.

Local governments have been addressing the issues in manufactured housing communities by passing ordinances relating to health and safety conditions within the

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community, zoning, and owner responsibilities. Some communities, such as Federal Heights, have imposed licensing requirements on communities and community managers. Allowing local municipalities to address these issues, instead of imposing a statewide requirement, would allow them the flexibility to tailor their regulatory response to the specific needs of their communities. Local governments have also spearheaded outreach efforts to educate owners of manufactured homes about their rights and responsibilities. As some of the incidents in the Public Harm section above reveal, informed homeowners are more likely to challenge community management in the event of a dispute.

## **Collateral Consequences**

The fourth sunrise criterion asks:

Whether the imposition of any disqualifications on applicants for licensure, certification, relicensure, or recertification based on criminal history serves public safety or commercial or consumer protection interests.

The Applicant did not request that any disqualifications be imposed on potential community owners or managers based on criminal history.

## **Conclusion**

The manufactured housing community industry poses a difficult puzzle for policymakers. How does the government protect the rights of homeowners and the rights of landowners simultaneously?

In a traditional landlord/tenant dispute, a dissatisfied tenant generally has the option to simply move, though the tenant would forfeit the security deposit and may have to bear the consequences of breaking a lease. An owner of a manufactured home who is in conflict with a community owner faces a more vexing prospect: to continue to live in a community where the rules and regulations and culture are unpleasant, unfair, or even illegal; to move the home (provided the home is in suitable condition to be moved), which typically costs thousands of dollars and requires the homeowner to find another piece of land upon which to situate the home; or to sell the home, which can be particularly difficult to do on a tight timeline or if the home does not meet current design and construction standards, and may result in financial losses.

One solution gaining traction nationally is helping homeowners band together to form cooperatives and purchase the manufactured housing communities they live in. Resident Owned Communities (ROC) USA is a national non-profit organization that facilitates the formation of homeowner cooperatives and helps obtain financing to purchase the communities. This model would resemble the management structure of

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condominium complexes and subdivisions and would likely mitigate the sometimes adversarial relationship between community owners and homeowners. In a co-op model, homeowners dissatisfied with conditions in the community could seek a position on the community's board of directors.

Any discussion of manufactured housing communities necessarily leads to a broader discussion of affordable housing challenges in Colorado. Manufactured housing communities have been in the news lately because of the development boom along the Front Range and the ever-increasing value of land. Under the Act, if a community owner wishes to change the use of the land of a manufactured housing community, it need only give residents 180 days' notice to relocate and put the land to more lucrative use. Homeowners are then forced into a housing market where space is scarce and expensive.

Manufactured housing communities are subject to regulation by a patchwork of federal, state, and local laws. While the Act provides a fairly clear regulatory structure for manufactured housing communities, the sole recourse for a homeowner who believes a community owner or manager has violated the Act is to initiate a private action in civil court. This is an expensive undertaking, and the homeowners in manufactured housing communities are typically lower-income: according to the Colorado Center on Law and Policy, the national median income for manufactured home households was \$30,000 in 2015,<sup>45</sup> which was significantly lower than the overall national median income of \$56,516.<sup>46</sup> A clear majority of the states researched for this report have a similar regime: fairly proscriptive laws that are enforced only through lawsuits. Although lawsuits do occur—in one recent, prominent case, 14 homeowners filed suit against property owners and management alleging a “pattern of abuse, harassment and retaliation”<sup>47</sup>—such cases are rare.

Recent thinking advertises manufactured homes as a possible solution to the affordable housing crisis occurring in many parts of the United States.<sup>48</sup> The General Assembly, in the legislative declaration of the Act, says as much:

The General Assembly hereby finds and declares that mobile homes, manufactured housing, and factory-built housing are important and effective ways to meet Colorado's affordable housing needs.<sup>49</sup>

There are, however, very real obstacles to this goal.

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<sup>45</sup> Colorado Center of Law and Policy. *Financing Manufactured Homes: A Potential Asset and Wealth Building Strategy* (October 2017).

<sup>46</sup> United States Census Bureau. *Income and Poverty in the United States: 2015*. Retrieved September 17, 2018, from <https://www.census.gov/library/publications/2016/demo/p60-256.html>

<sup>47</sup> *Denver Meadows Vecinos Unidos Homeowners Association v. LSC Limited Liability Company*, State of Colorado, Adams County District Court, Case No. D12018CV30063, Verified Complaint and Jury Demand, p. 7.

<sup>48</sup> See Urban Institute. *Manufactured homes could ease the affordable housing crisis. So Why are so few being made?* Retrieved September 19, 2018, from <https://www.urban.org/urban-wire/manufactured-homes-could-ease-affordable-housing-crisis-so-why-are-so-few-being-made>

<sup>49</sup> § 38-12-201.3, C.R.S.

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Clearly, harm is occurring in manufactured housing communities. Those instances of harm are not due to a lack of professional competence among manufactured housing community owners and managers. The harm largely stems from the lack of enforcement of existing laws, bad actors exploiting a relatively loose regulatory structure, and the inevitable tension that arises when the house belongs to one person but the land beneath it belongs to someone else.

Conditions for Colorado owners of manufactured homes could be improved by increasing community engagement within the communities, including the forming of homeowners associations and cooperatives; educating homeowners about their rights and encouraging them to challenge community owners when appropriate or file complaints with the proper authority (e.g., the Public Utilities Commission, the Water Quality Division of the Colorado Department of Public Health and Environment, the Colorado Attorney General's Office, the Colorado Civil Rights Division or local authorities); promoting opportunities for homeowners to purchase the communities they live in; and increasing political engagement at the local and the state level.

The General Assembly could amend the Act to further protect homeowners by extending notification times for rent increases, limiting the number of rent increases per year, and prohibiting retaliation against homeowners for joining a homeowners' association.

There are laws and rules in place that regulate numerous aspects of manufactured housing communities. The instances of public harm discovered over the course of this review—relating to topics as various as water quality, utility billing, non-consensual towing, and discriminatory conduct—generally are addressed by existing laws or are already under the purview of state agencies. While the public would benefit from modifications to and increased compliance with the Act, the value of imposing occupational regulation on manufactured housing community owners and managers would likely be minimal.

**Recommendation – Do not regulate manufactured housing community owners or managers.**