

Legislative News

As many of you know, NDMHA had a strong presence during the last legislative session. The Governmental Affairs Committee, Board of Directors and NDMHA's attorneys worked hard to protect the industry and your individual businesses. Below is a quick recap of everything that was accomplished.

1. The 2013 ND Legislature has passed Senate Bill No 2174 which provides for advance notice of termination of service by a utility. NDMHA was the primary proponent of SB 2174. Testimony was presented to the Senate Industry Business and Labor committee and the House Political Subdivisions committee by various members of NDMHA showing the need for and support of SB 2174. The Senate IBL committee gave the bill a 7-0 Do Pass recommendation and then the full Senate passed the bill by a unanimous vote of 45-0 with 2 absent. In the House the committee gave the bill a 14-0 Do Pass recommendation and the full House passed the bill by a unanimous vote of 90-0 with 4 absent. SB 2174 was signed by Governor Dalrymple on March 18, 2013 and it was filed with the Secretary of State on March 22, 2013, and becomes law on August 1, 2013. SB 2174 requires a public utility to provide 10 days advance notice to a customer prior to discontinuance of service for payment delinquency as currently required by the PSC rules. In addition, the public utility must provide advance notice to a third party designated by a customer of the intention to discontinue electric or gas service because of payment delinquency either by mail at least 5 days in advance or if by electronic means then at least 3 days in advance. The customer needs to complete a form as provided or approved by the utility in order to designate and identify the third party entitled to advance notice.

2. The 2013 ND Legislature also passed Senate Bill No 2317 which establishes the requirements for a manufactured home dealer license and bonding. This legislation was a joint effort with the ND Department of Transportation, Motor Vehicle Division (the regulator) and NDMHA. Testimony was presented to both the Senate and House Industry Business and Labor committees showing the need for and support of SB 2317. The Senate IBL committee gave the bill a 7-0 Do Pass recommendation and then the full Senate passed the bill by a vote of 46-1. In the House the IBL committee gave the bill a 12-1 Do Pass recommendation and the full House passed the bill by a vote of 90-2 with 2 absent. SB 2317 was signed by Governor Dalrymple on April 1, 2013 and it was filed with the Secretary of State on April 1, 2013, and becomes law on August 1,

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2013. SB 2174 basically establishes the same requirements for a manufactured home dealer license as exists with a mobile home dealer license. There remains the annual application process for a license or renewal license with a fee of \$35 but only a single license is required to operate as either or both a mobile home dealer and manufactured home dealer. Also, the bond that was established in 1971 was increased from \$10,000 to \$50,000.

3. The success of legislation introduced at the 2013 Legislative Session, namely SB 2174, has allowed NDMHA to avoid a formal hearing at the ND Public Service Commission (PSC) to obtain the relief of an advance notice requirement in law that was being requested from the utility by NDMHA. By way of review, NDMHA served a formal Complaint against Montana Dakota Utilities (MDU) and filed it with the ND PSC to demand and require advance notification for customers and interested third parties such as property owners and landlords before any electric or gas service termination occurred. The passage of SB 2174 negated the reason for pursuit of the formal Complaint with the PSC and therefore NDMHA voluntarily dismissed the Complaint that had been filed with the PSC against MDU.

4. Finally, NDMHA was instrumental in the defeat of Senate Bill No 2038 which was an attempt to synchronize taxable years for mobile homes and real property. Mobile homes pay the tax forward for the upcoming tax year while real property pays the tax backward for the past tax year. If SB 2038 would have been passed then mobile home taxes would have been paid forward at the beginning of the base year and again at the end of the year they would have been required to pay backward for the same base tax year. The net effect of the bill would have been to require the payment of a double tax by mobile home owners for the transitional base year. Thanks in part to the effort of NDMHA, the Senate Finance and Taxation committee gave the bill a 7-0 Do Not Pass recommendation and it was defeated in the Senate by a vote of 0-47.

This cannot be accomplished without your support and dedication to the manufactured housing industry and NDMHA!! A big Thank You to all members of NDMHA!! I

If you know of someone/business that should be a member of NDMHA please email name, address and any other contact information to ndmha@midconetwork.com.

Homes Shipped into North Dakota 2013

| | Single Section | Multi Section | Monthly Total |
|----------|----------------|---------------|--------------------------------|
| January | 50 | 34 | 84 |
| February | 42 | 35 | 77 |
| March | 25 | 32 | 57 |
| April | 18 | 18 | 36 |
| TOTAL | 135 | 119 | |
| | | | 254 Year to Date |

Home shipments compared to 2012

| | 2012 | 2013 | Difference |
|----------|-------------|-------------|-------------------|
| January | 82 | 84 | +2 |
| February | 115 | 77 | -38 |
| March | 148 | 57 | -91 |
| April | 168 | 36 | -132 |
| Total | 513 | 254 | -259 |

MHI Dodd-Frank and CFPB Updates

MHI Seeks Industry Assistance to H.R. 1779

On May 30th, MHI held a call with manufactured housing state association executives to discuss outreach assistance needed to obtain more co-sponsors to H.R. 1779. To date, the following Representatives have agreed to co-sponsor the legislation (H.R. 1779) introduced by Reps. Stephen Fincher (R-TN), Bennie Thompson (D-MS) and Gary Miller (R-CA) in April: Andy Barr (R-KY), Marsha Blackburn (R-TN), Greg Harper (R-MS), Robert Hurt (R-VA), Tom Latham (R-IA), Blaine Luetkemeyer (R-MO), Mike Michaud (D-ME), Alan Nunnelee (R-MS), Steven Palazzo (R-MS), Dennis Ross (R-FL), and Joe Wilson (R-SC).

Additional assistance is needed from the manufactured housing industry to contact their U.S. Representatives and urge them to co-sponsor H.R. 1779. For a copy of the MHI Action Alert, visit the MHI Web site at www.manufacturedhousing.org. In addition, MHI created a preliminary listing of Representatives that MHI has identified as likely or potential supporters of the legislation and tips for conducting outreach to Representatives.

Industry Seeking Guidance on Connection Between Disparate Impact and Qualified Mortgage

On June 4th, eight financial services organizations sent a letter to the Consumer Financial Protection Bureau (CFPB) and Department of Housing and Urban Development (HUD) requesting guidance clarifying that compliance with the Ability-to-Repay/Qualified Mortgage final rule will not expose lenders to disparate impact liability under the Fair Housing Act and the Equal Credit Opportunity Act. The letter is in response to an April 2012 CFPB bulletin indicating the agency plans to apply a disparate impact test in exercising its supervisory and enforcement authority for all types of credit, including mortgage lending.

CFPB Issues Examination Guidance for New Mortgage Rules

On June 4th, the CFPB issued updated exam procedures for new mortgage regulations issued in January 2013. The exam procedures are designed to provide financial institutions and mortgage companies guidance regarding what the CFPB will look for as the rules become effective. The new regulations affect appraisals, escrow accounts, and compensation and qualifications for loan originators.

CFPB Expands Consumer Complaint Database

On May 31st, the CFPB announced it expanded its consumer complaint database to include searchable state-by-state information. According to the CFPB, the database has grown from roughly 19,000 credit card complaints to more than 113,000 complaints covering a variety of financial products, including home loans.

Webinar to Cover NMLS Expansion

On June 19th, Ballard-Spahr will host a free webinar examining how states have expanded their use of the Nationwide Mortgage Licensing System (NMLS) to manage license authorities beyond the mortgage industry. NMLS expansion is expected to continue into 2013 and beyond. The webinar will discuss how companies can adapt their compliance practices to this new licensing landscape.

MHI members can contact Jason Boehlert at jboehlert@mfghome.org or (703) 558-0660.

MHI Week in Review June 7, 2013

