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## SENATE BILL NO. 356

## AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Transportation  
on January 15, 2014)

(Patron Prior to Substitute—Senator Cosgrove)

A BILL to amend and reenact §§ 46.2-632 and 46.2-653 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 46.2-653.1, relating to titling of manufactured homes.

**Be it enacted by the General Assembly of Virginia:**

1. That §§ 46.2-632 and 46.2-653 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding a section numbered 46.2-653.1 as follows:

**§ 46.2-632. Transfer when certificate of title lost.**

A. Whenever the applicant for the registration of a motor vehicle, *manufactured home*, trailer, or semitrailer or a new certificate of title is unable to present a certificate of title because the certificate has been lost or unlawfully detained by one in possession of it or whenever the certificate of title is otherwise not available, the Department may receive the application and investigate the circumstances of the case and may require the filing of affidavits or other information. When the Department is satisfied that the applicant is entitled to the title, it may register the motor vehicle, *manufactured home*, trailer, or semitrailer and issue a new registration card, license plate, or plates and certificate of title to the person entitled to it.

B. Whenever the insurance company or its agent makes application for a certificate of title to a vehicle that is not a salvage vehicle as defined in § 46.2-1600 and is unable to present a certificate of title, the Department may receive the application along with an affidavit indicating that the vehicle was acquired as the result of the claims process and describing the efforts made by the insurance company or its agent to obtain the certificate of title from the previous owner. When the Department is satisfied that the applicant is entitled to the title, it may issue a certificate of title to the person entitled to it. The Commissioner may charge a fee of \$25 for the expense of processing an application under this subsection that is accompanied by an affidavit. Such fee shall be in addition to any other fees and taxes required. All fees collected under the provisions of this subsection shall be paid into the state treasury and set aside as a special fund to be used to meet the expenses of the Department.

**§ 46.2-653. Temporary registration or permit for transportation of manufactured homes exceeding the size permitted by law.**

The Commissioner may grant a temporary registration or permit for the transportation of manufactured homes, which exceed the size permitted by law, on the highways in the Commonwealth from one point to another within the Commonwealth, or from the Commonwealth to a point or points outside the Commonwealth, or from outside the Commonwealth to a point or points within the Commonwealth. Such temporary registration or permit shall show the registration or permit number, the date of issue, the date of expiration, and the route to be traveled or other restrictions and shall be displayed in a prominent place on the vehicle. The owner of every manufactured home of this sort purchased in the Commonwealth for use within the Commonwealth or brought into the Commonwealth for use within the Commonwealth shall apply within 30 days to the Department for title in the name of the owner. This requirement shall not apply to inventory held by licensed Virginia dealers for the purpose of resale. After a manufactured home has been titled in the Commonwealth and at such time as the wheels and other equipment previously used for mobility have been removed and the unit has been attached to the realty, then the manufactured home shall, for purposes of this section, be deemed to be real estate and Virginia title issued for the unit may be returned to the Department for cancellation and the unit shall thereafter be transferred only as real estate is transferred. The validity of any security interest perfected pursuant to §§ 46.2-636 through 46.2-641 shall continue, notwithstanding the provisions of this section.

The Commissioner shall have prepared a list of all titles cancelled pursuant to this section and furnish it, in conjunction with the reports submitted pursuant to § 46.2-210, to the commissioner of the revenue of each county and city without cost. The Commissioner shall not make such list available to the public nor shall any commissioner of the revenue make such list available to any third party.

The authorities in cities and towns regulating the movement of traffic may prescribe the route or routes over which these manufactured homes may be transported, and no manufactured home of this sort shall be transported through any city or town except along a prescribed route or routes.

For each temporary single-trip registration or permit issued hereunder, the applicant shall pay a fee of one dollar \$1, in addition to any administrative fee required by the Department. In lieu of a single-trip permit, an annual multi-trip permit may be issued for a fee of \$40, in addition to any administrative fee required by the Department.

60 No permit, as provided in this section, shall be issued covering any manufactured home that is  
61 subject to a license plate.

62 **§ 46.2-653.1. Conversion of manufactured home to real property.**

63 A. After a manufactured home has been titled in the Commonwealth and at such time as the wheels  
64 and other equipment previously used for mobility have been removed and the unit has been attached to  
65 real property owned by the manufactured home owner, the owner may convert the home to real property  
66 in accordance with the provisions of subsection B. The provisions of this section constitute the only  
67 manner by which a manufactured home owner may convert a manufactured home to real property.

68 B. A manufactured home owner who wishes to convert the home to real property shall submit a  
69 sworn affidavit to the Department that the wheels and other equipment previously used for mobility have  
70 been removed from the manufactured home and the unit has been attached to real property owned by  
71 the manufactured home owner.

72 The affidavit must be in a form approved by the Commissioner. Upon compliance by the owner with  
73 the procedure for surrender of title, the Department shall rescind and cancel the Virginia title. The  
74 Department shall not cancel the title if a security interest has been recorded on the title and not  
75 released by the secured party. After canceling the title, the Department shall provide written  
76 confirmation to the owner that the title has been surrendered and has been canceled by the Department.

77 Upon receipt of confirmation that the title has been surrendered and has been canceled by the  
78 Department, the owner shall file a sworn affidavit of affixation with the circuit court of the locality  
79 where the real property is located. The affidavit shall include all of the following information:

- 80 1. The manufacturer and, if applicable, the model name of the manufactured home.
- 81 2. The vehicle identification number and serial number of the manufactured home.
- 82 3. The legal description of the real property on which the manufactured home is placed, including  
83 the property address, stating that the owner of the manufactured home also owns the real property.
- 84 4. Certification that there are no security interests in the manufactured home that have not been  
85 released by the secured party.

- 86 5. The homeowner's statement that the title has been surrendered and has been canceled by the  
87 Department and that the home is intended to be a permanent fixture and improvement to the land, to  
88 the same extent as any site-built home, and assessed and taxed with the land as real property.

89 In addition, a copy of the confirmation provided by the Department that the title has been  
90 surrendered and canceled by the Department shall be attached to and filed with the affidavit.

91 Upon filing the affidavit of affixation, the manufactured home shall then be deemed to be real estate  
92 and shall thereafter be conveyed and encumbered only as real estate is conveyed and encumbered,  
93 except when the home is thereafter physically severed from the real property and a new title issued in  
94 accordance with subsection C.

95 The Commissioner shall have prepared a list of all titles canceled pursuant to this section and  
96 furnish it, in conjunction with the reports submitted pursuant to § 46.2-210, to the commissioner of the  
97 revenue of each county and city without cost.

98 C. If the owner of a manufactured home whose certificate of title has been canceled under this  
99 section subsequently seeks to sever the manufactured home from the real property, the owner may apply  
100 for a new certificate of title in accordance with the provisions of this section.

101 1. The owner shall file with the circuit court where the real property is located an affidavit that  
102 includes or provides for all of the following information:

- 103 a. The manufacturer and, if applicable, the model name of the manufactured home.
- 104 b. The vehicle identification number and serial number of the manufactured home.
- 105 c. The legal description of the real property on which the manufactured home is placed, stating that  
106 the owner of the manufactured home also owns the real property.
- 107 d. Certification that there are no security interests in the manufactured home that have not been  
108 released by the secured party.

- 109 e. The homeowner's statement that the home has been or will be physically severed from the real  
110 property.

111 2. The owner must submit the following to the Department:

- 112 a. A copy of the affidavit filed in accordance with subdivision C1.
- 113 b. Verification that the manufactured home has been severed from the real property. Confirmation of  
114 severance by the commissioner of the revenue where the real property is located shall constitute  
115 acceptable evidence that the unit has been severed from the real property.

116 Upon receipt of the information required in subdivision C2, together with a title application and  
117 required fee, the Department is authorized to issue a new title for the manufactured home. The initial  
118 title issued under the provisions of this subsection shall contain no security interests, provided however,  
119 that nothing contained herein shall be construed to prevent a subsequent security interest from being  
120 recorded on the title.