

Department of Planning and Budget 2010 Fiscal Impact Statement

1. Bill Number: HB1374

House of Origin X Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Scott, J.M.

3. Committee: General Laws

4. Title: **Manufactured Housing Licensing and Transaction Recovery Fund Law.**

5. Summary: Clarifies that when the buyer of a manufactured home that is a single section unit and is not specially ordered from the manufacturer fails to accept delivery, the manufactured home dealer may retain actual damages of \$1,000. The bill also clarifies that the provision limiting the amount of balances in the Manufactured Housing Transaction Recovery Fund that can be used for educational purposes and to pay staff expenses related to regulatory functions to five percent will expire on July 1, 2011.

6. Fiscal impact estimates are preliminary. See item 8, below.

7. Budget Amendment Necessary: No.

8. Fiscal Implications: Removing the cap on the percentage of balances in the Manufactured Housing Transaction Recovery Fund that the Department of Housing and Community Development (DHCD) may use for educational and staff purposes at the end of FY 2011 may provide additional funding for DHCD to expand the educational programs that could be funded from this Fund and to recover a portion of its expenses incurred in performing investigations on claims filed by homeowners in future fiscal years..

9. Specific Agency or Political Subdivisions Affected: Department of Housing and Community Development.

10. Technical Amendment Necessary: No.

11. Other Comments: The second enactment of Chapter 141, 2009 Acts of Assembly, increased the minimum required Fund balance to \$300,000, expanded the allowable uses of the Fund, and authorized the department to utilize up to five percent of the Fund balances, in any fiscal year, for educational and staff expenses incurred in performing its regulatory functions.

Date: 2/3/2010 tmw

Document: G:\2010 Session\Legislation\HB1374.Doc