Act No. 155 (H.757). An act relating to manufactured homes and limited equity cooperatives

Subjects: Housing; manufactured homes; commerce and trade; mobile homes; conservation and development; mobile home parks; corporations, partnerships and associations; cooperative housing corporations; limited equity cooperatives; municipal zoning; taxation and finance; sales and use tax; property transfer tax; exemptions

This act makes miscellaneous changes to the chapter governing mobile homes, 9 V.S.A. Chapter 72, to clarify the definition of "permanently sited," to clarify what statutory provisions apply when a mobile home must be transferred via a warranty deed versus a quitclaim deed, and to remove language referencing that an owner of land on which a mobile home is sited shall not unreasonably withhold consent required by the statute.

The act amends the statutes governing Limited Equity Cooperatives, 11 V.S.A. chapter 14, to provide a definition of "mobile home park" and to prohibit the subleasing of a unit within a mobile home park registered as a limited equity cooperative unless the member of the cooperative demonstrates a hardship and the unit is subleased to an individual of low or moderate income as those terms are defined. If subleasing a unit in a mobile home park registered as a limited equity cooperative, the unit owner shall not sublease the unit for a higher amount than necessary to cover the costs of the unit.

The act adds language providing that a mobile home park registered as a limited equity cooperative shall be treated for State funding and grant purposes as if the cooperative was incorporated as a nonprofit entity. The treatment shall not alter or change specific funding or grant requirements and shall not be interpreted to impact or alter tax treatment of a mobile home park organized as a limited equity cooperative. This language is repealed on July 1, 2027.

The act requires that any municipality that authorizes year-round residential development must also authorize the placement of mobile homes in the same locations as other housing.

The act changes the tax treatment of mobile homes sold as personal property to match the tax treatment of mobile homes sold as real property by increasing the sales and use tax exemption for manufactured homes to approximate the property transfer tax and creates a sales and use tax exemption for energy efficient manufactured homes to match the property transfer tax exemption provided to energy efficient manufactured homes.

The act authorizes the Secretary of State to update a limited equity cooperative's business registration status with the Secretary of State to ensure proper reflection of the corporate business organization structure within the Secretary of State's systems when requested by the limited equity cooperative.

The act provides the Office of Legislative Counsel with authority to replace “mobile home” with “manufactured home” throughout the Vermont statutes as needed for consistency with this act, provided the revisions have no other effect on the meaning of the affected statutes.

Finally, the act requires the Department of Housing and Community Development, in consultation with the Agency of Administration, the Agency of Natural Resources, and the Agency of Transportation, to submit a written report identifying all State funding grant and loan programs available to mobile home parks for infrastructure improvements with an analysis on the eligibility and regulatory barriers prohibiting access to the funds for mobile home parks registered as a limited equity cooperative.

Multiple effective dates, beginning on July 1, 2026