

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on General and Housing to which was referred House Bill
3 No. 757 entitled “An act relating to manufactured homes and limited equity
4 cooperatives” respectfully reports that it has considered the same and
5 recommends that the bill be amended by striking out all after the enacting
6 clause and inserting in lieu thereof the following:

7 * * * Manufactured Homes * * *

8 Sec. 1. 9 V.S.A. chapter 72 is amended to read:

9 CHAPTER 72. MOBILE HOMES

10 § 2601. DEFINITIONS

11 (a) As used in this chapter, unless the context requires otherwise, “mobile
12 home” means:

13 (1) A mobile home as defined in 10 V.S.A. § 6201.

14 (2) An unmotorized vehicle, other than a travel or recreational trailer,
15 designed to be towed and designed or equipped for use as sleeping, eating, or
16 living quarters.

17 (b) A mobile home remains a mobile home for purposes of this chapter
18 even though it may be used for advertising, sales, display, or promotion of
19 merchandise or services, or for any other commercial purposes except the
20 transportation of property.

1 (c) A mobile home that was financed as residential real estate shall be
2 defined as residential real estate.

3 (d) “Permanently sited” means the mobile home has become affixed to the
4 land. Factors that tend to show a mobile home is permanently sited include
5 one or more of the following:

6 (1) The mobile home has been set up on blocks or otherwise stabilized
7 so that the wheels do not form a major part of the structural support.

8 (2) The mobile home has been connected to utilities such as electricity,
9 sewage, water, gas, or oil.

10 (3) Skirting has been installed around the base of the mobile home.

11 (4) The wheels or axles have been removed.

12 (5) The mobile home has been situated in a place that makes removal
13 unlikely.

14 * * *

15 § 2604. REAL ESTATE DEEDS FOR MOBILE HOMES

16 (a) Any mobile home purchased from a mobile home dealer on or after July
17 1, 2008, that is financed as residential real estate pursuant to subsection
18 2603(b) of this title shall be conveyed by a warranty deed ~~drafted in~~
19 ~~substantially the form provided in subsection (c) of this section.~~

20 (b) An owner of a mobile home ~~shall~~ that is permanently sited may, upon
21 financing or refinancing a mobile home as residential real estate or selling a

1 mobile home that has been financed as residential real estate or will be so
2 financed by the grantee, issue to the grantee either a warranty deed or a
3 quitclaim deed ~~that is drafted in substantially the form provided in subsection~~
4 ~~(e) or (d) of this section.~~

5 (c) A warranty deed ~~that is substantially in the form provided in this~~
6 ~~subsection~~ shall, when duly executed and delivered, have the force and effect
7 of a deed in fee simple to the grantee, the heirs, successors, and assigns, to
8 their own use, with covenants on the part of the grantor, for the grantor, the
9 grantor's heirs, executors, and administrators that, at the time of the delivery of
10 the deed, the grantor was lawfully seized in fee simple of the mobile home;
11 that the mobile home was free from all encumbrances, except as stated; that the
12 grantor had good right to sell and convey the same to the grantee, the grantee's
13 heirs, successors, and assigns; and that the grantor and the grantor's heirs,
14 executors, and administrators shall warrant and defend the same to the grantee
15 and the grantee's heirs, successors, and assigns, against the lawful claims and
16 demands of all persons except as stated. ~~No owner of land on which a mobile~~
17 ~~home is sited shall unreasonably withhold the consent required by this~~
18 ~~statutory form~~ A warranty deed described in this subsection may take the
19 following form.

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Form for Mobile Home Warranty Deed

_____, of _____, _____ County, State of _____,
("Grantor"), for consideration paid, grants to _____ of Street, Town
(City) of _____, _____ County, State of _____ ("Grantee"),
with warranty covenants, the _____ (description of mobile home being
conveyed: name of manufacturer, model and serial number, and encumbrances,
exceptions, reservations, if any) which mobile home is situated, or is to be
situated, at _____ (state name of park, if any, and street address), Town
(City) of _____, _____ County, State of Vermont.

The tract or parcel of land upon which the mobile home is situated, or is to be
situated, is owned by _____ by deed dated and recorded at
Book _____, Page _____ in the land records of the Town (City) of
_____.

_____ (wife) (husband) of said Grantor, releases to said Grantee all
rights and other interests therein.

Signed this ____ day of _____, _____.

(Here add acknowledgment)

_____, owner of the tract or parcel of land upon which the
aforesaid mobile home is situated, or is to be situated, hereby consents to the
conveyance of the mobile home.

Signed this ____ day of _____, _____.

1 (Here add acknowledgment)

2 [] Check box if the mobile home has been relocated from one site to another
3 within Vermont, and attach a Relocation Statement in the form provided in
4 section 2606 of this title.

5 (d) A quitclaim deed ~~that is substantially in the form provided in this~~
6 ~~subsection~~ shall, when duly executed and delivered, have the force and effect
7 of a deed in fee simple to the grantee, the heirs, successors, and assigns, to
8 their own use subject to encumbrances of record. ~~No owner of land on which~~
9 ~~the mobile home is sited shall unreasonably withhold consent required by this~~
10 ~~statutory form~~ A warranty deed described in this subsection may take the
11 following form.

12 Form for Mobile Home Quitclaim Deed

13 _____, of _____, _____ County, State of _____
14 (“Grantor”), for consideration paid, grants to _____ of _____
15 Street, Town (City) of _____, _____ County, State of
16 _____ (“Grantee”), with quitclaim covenants, the (description of
17 mobile home being conveyed: name of manufacturer, model and serial
18 number, and encumbrances, exceptions, reservations, if any) which mobile
19 home is situated, or is to be situated, at _____ (state name of park, if
20 any, and street address), Town (City) of _____ County, State of
21 Vermont.

1 § 2605. ~~MOBILE HOME BILL OF SALE CONVERSION PROCESS~~

2 ~~The owner of any mobile home that was initially financed pursuant to a~~
3 ~~motor vehicle loan, motor vehicle retail installment contract, or another form~~
4 ~~of chattel mortgage shall, if the mobile home is subsequently financed as~~
5 ~~residential real estate pursuant to subsection 2603(b) of this title, file a request~~
6 ~~for purging of the security interest with the clerk of the municipality where the~~
7 ~~chattel mortgage for the mobile home was last recorded.~~

8 ~~(1) A request to purge the security interest of a mobile home shall~~
9 ~~include the most recent Vermont uniform bill of sale or certificate of origin,~~
10 ~~the terminated UCC financing statement or statements, and an executed~~
11 ~~warranty or quitclaim deed, which shall be drafted substantially in the form~~
12 ~~provided in section 2604 of this title.~~

13 ~~(2) Upon the filing of a request to purge the security interest of a mobile~~
14 ~~home with the clerk of the municipality where the chattel mortgage for the~~
15 ~~mobile home was last recorded, and upon the owner's procuring the consent of~~
16 ~~the holders of any security interest in the mobile home shown to be unreleased,~~
17 ~~the mobile home shall become residential real estate.~~

18 ~~(3) Upon receiving a request to purge the security interest of a mobile~~
19 ~~home, the municipal clerk shall mark or stamp the originally filed Vermont~~
20 ~~uniform bill of sale or certificate of origin with the word "converted."~~

1 formula contained in the articles. That value shall be consistent with the object
2 of maintaining long-term affordability of cooperative interests for persons or
3 households of low and moderate income.

4 (2) A limited equity formula, once established by a cooperative housing
5 corporation in its articles of incorporation, may be amended only if that
6 amendment does not make the cooperative membership unaffordable for the
7 class of low- or moderate-income households for which the cooperative
8 housing corporation was originally incorporated, as determined and certified
9 by the Commissioner of Housing and Community ~~Affairs~~ Development. A
10 cooperative housing corporation once organized under this section may not
11 reorganize as other than a limited equity cooperative without first dissolving.

12 (3) A limited equity cooperative shall not sell all or substantially all of
13 its assets if such sale is intended to circumvent the public purposes of this
14 section.

15 (4) The articles of incorporation shall require that the cooperative
16 housing corporation shall have the first right to repurchase a member's
17 cooperative interest.

18 (5) The articles of incorporation shall require that the total distribution
19 out of capital to a member shall not exceed that transfer value.

20 (6) The articles of incorporation shall require that upon dissolution of
21 the cooperative housing corporation, any assets remaining after retirement of

1 corporate debts and distribution to members shall be distributed to a charitable
2 organization described in Section 501(c)(3) of the Internal Revenue Code of
3 1986, as amended, a public agency, or another limited equity cooperative
4 whose formula for determining transfer value shall be not less restrictive than
5 that of the cooperative housing corporation being dissolved.

6 (7) The articles of incorporation shall require that no sublease of a unit
7 shall provide for monthly payments by the sublessee in excess of 110 percent
8 of monthly payments for the unit provided for in the proprietary lease.

9 (8)(A) Notwithstanding subdivision (7) of this subsection (a), for a
10 mobile home park organized as a limited equity cooperative prior to July 1,
11 2026, the articles of incorporation shall require that for any sublease of a unit
12 the total cost of rent for the unit, including utilities not covered by rent
13 payments and costs for the proprietary lease payment, shall not exceed the
14 applicable fair market rent established by the U.S. Department of Housing and
15 Urban Development.

16 (B) For a mobile home park organized as a limited equity cooperative
17 on or after July 1, 2026, the articles of incorporation shall prohibit the
18 subleasing of a unit, unless a member can demonstrate a hardship, in which
19 case the board of directors may by an affirmative vote of the majority grant an
20 exemption from the prohibition. In the event a unit is provided an exemption
21 under this subdivision (B), the total cost of rent for the unit, including utilities

1 not covered by rent payments and costs for the proprietary lease payment, shall
2 not exceed the applicable fair market rent established by the U.S. Department
3 of Housing and Urban Development.

4 (b) A mobile home park organized as a limited equity cooperative shall be
5 treated for the purposes of State funding and grants as if it were incorporated
6 as a State nonprofit corporation for a public purpose and public benefit under
7 the laws of this State. Nothing in this section shall be deemed to alter or
8 change specific funding or grant requirements, including the definition of low
9 or moderate income, as outlined in any program, funding, or grant source.

10 * * * Municipal Zoning * * *

11 Sec. 4. 24 V.S.A. § 4412 is amended to read:

12 § 4412. REQUIRED PROVISIONS AND PROHIBITED EFFECTS

13 Notwithstanding any existing bylaw, the following land development
14 provisions shall apply in every municipality:

15 (1) Equal treatment of housing and required provisions for affordable
16 housing.

17 * * *

18 (B) Except as provided in subdivisions 4414(1)(E) and (F) of this
19 title, no bylaw shall have the effect of excluding mobile homes, modular
20 housing, or prefabricated housing from any district that allows year-round
21 residential development in the municipality, except upon the same terms and

1 conditions as conventional housing is excluded. A municipality may establish
2 specific site standards in the bylaws to regulate individual sites within
3 preexisting mobile home parks with regard to distances between structures and
4 other standards as necessary to ensure public health, safety, and welfare,
5 provided the standards do not have the effect of prohibiting the replacement of
6 mobile homes on existing lots.

7 * * *

8 * * * Sales and Use Tax Exemption * * *

9 Sec. 5. 32 V.S.A. § 9706(s) is amended to read:

10 (s) The statutory purpose of the exemption for sales of mobile homes and
11 modular housing in subdivision 9741(32)(A) of this title is to create equity
12 between mobile and modular housing and traditional residential construction
13 by providing an exemption for the estimated portion of the cost attributable to
14 labor (versus materials). The statutory purpose of the exemption for sales of
15 mobile homes in subdivision 9741(32)(B) of this title is to ensure that all sales
16 of mobile homes, as defined in 10 V.S.A. § 6201, are treated similarly for
17 purposes of the property transfer tax imposed under chapter 231 of this title.

18 Sec. 6. 32 V.S.A. § 9741 is amended to read:

19 § 9741. SALES NOT COVERED

1 (6)(A) “Value” means:

2 (i) in the case of any transfer of title to property that is not a gift
3 and that is not made for a nominal or no consideration, the amount of the full
4 actual consideration for such transfer, paid or to be paid, including the amount
5 of any liens or encumbrances on the property existing before the transfer and
6 not removed thereby;

7 (ii) in the case of a gift, or a transfer for nominal or no
8 consideration, the fair market value of the property transferred; ~~and~~

9 (iii) in the case of a controlling interest in any person that has title
10 to property, the fair market value of the property, apportioned based on the
11 percentage of the ownership interest transferred or acquired in the person; and

12 (iv) in the case of a mobile home sold as tangible personal
13 property, the amount of the full actual consideration for such sale, paid or to be
14 paid, including the amount of any liens or encumbrances on the tangible
15 personal property existing before the sale and not removed thereby.

16 * * *

17 (10) “Property” means real property and, in the case of a mobile home
18 sold as tangible personal property, tangible personal property. The term does
19 not include personal property transferred with real property other than a mobile
20 home.

21 * * *

1 (2) In the case of transfer or acquisition of a controlling interest in a
2 person with title to property for which a deed is not given or the sale of a
3 mobile home as tangible personal property, the return submitted to the
4 Commissioner shall be treated as a tax return and tax return information under
5 section 3102 of this title.

6 Sec. 11. 32 V.S.A. § 9607 is amended to read:

7 § 9607. ACKNOWLEDGMENT OF RETURN AND TAX PAYMENT

8 Upon the receipt by a town clerk of a property transfer return and certificate
9 and the fee required under subdivision 1671(a)(6) of this title, the clerk shall
10 forthwith mail or otherwise deliver to the transferee of title to property or
11 purchaser of a mobile home as tangible personal property with respect to
12 which such return was filed a signed and written acknowledgment of the
13 receipt of that return and certificate. A copy of that acknowledgment, or any
14 other form of acknowledgment approved by the Commissioner, shall be
15 affixed to the deed evidencing the transfer of property, ~~or~~ the document
16 evidencing the transfer or acquisition of a direct or indirect controlling interest
17 in any person with title to property, or the mobile home uniform bill of sale
18 with respect to which the return and certificate was filed. The
19 acknowledgment so affixed to a deed, ~~or~~ document, or bill of sale, however,
20 shall not disclose the amount of tax paid with respect to any return or transfer.

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* * * Effective Date * * *

Sec. 15. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

(Committee vote: _____)

Representative _____

FOR THE COMMITTEE