MAINE STATE LEGISLATURE

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3	JUDICIARY
4	Reproduced and distributed under the direction of the Secretary of the Senate.
5	STATE OF MAINE
6	SENATE
7	123RD LEGISLATURE
8	FIRST REGULAR SESSION Minority
9 10	COMMITTEE AMENDMENT "A" to S.P. 602, L.D. 1695, Bill, "An Act To Amend the Laws Regarding the Conveyance of Manufactured Housing"
11 12	Amend the bill by inserting after the enacting clause and before section 1 the following:
13	'PART A'
14	Amend the bill by striking out all of section 1 and inserting the following:
15 16	'Sec. 1. 10 MRSA §9001, sub-§1, ¶E, as enacted by PL 2005, c. 678, §3 and affected by §13, is amended to read:
17 18 19	E. As a valued and important component of the housing industry in this State manufactured housing is recognized as residential property, whether it is reapproperty or personal property, notwithstanding the requirements of Title 29-A.
20 21	Sec. 2. 29-A MRSA §651, sub-§6, as enacted by PL 2005, c. 678, §6 and affected by §13, is repealed.
22 23	Sec. 3. 29-A MRSA §652, sub-§9, as repealed and replaced by PL 2005, c. 678 §7 and affected by §13, is repealed and the following enacted in its place:
24	9. Mobile home. A mobile home;
25 26	Sec. 4. 29-A MRSA §654, sub-§5, as enacted by PL 2005, c. 678, §8 and affected by §13, is repealed.
27 28	Sec. 5. 29-A MRSA §667, sub-§7, as enacted by PL 2005, c. 678, §9 and affected by §13, is repealed.
29 30	Sec. 6. 29-A MRSA §669, as enacted by PL 2005, c. 678, §10 and affected by §13, is repealed.

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1	Sec. 7. 29-A MRSA §705, sub-§3, as amended by PL 2005, c. 678, §11 and
2	affected by §13, is repealed and the following enacted in its place:

- 3. Assumed release of lien. The Secretary of State, at the Secretary of State's discretion, may assume that any lien with a lien date more than 66 months old has been satisfied as provided in this subsection. The Secretary of State shall provide notice to the lienholder by both regular mail and certified mail, return receipt requested, that the lien will be assumed to be satisfied unless the lienholder objects in writing within 30 days of either receipt of the notice, as evidenced by the return receipt, or 45 days of mailing by the Secretary of State in the event the lienholder refuses delivery of the notice by certified mail. The notice must identify the vehicle by year, make, model and vehicle identification number and must include the date of the lien and the name of the owner as of the date of the lien.
- Sec. 8. 29-A MRSA §708, as enacted by PL 2005, c. 678, §12 and affected by §13, is repealed.
 - Sec. 9. Effective date. This Part takes effect September 30, 2007.

16 PART B'

- Amend the bill in section 4 by striking out all of subsection 5 (page 1, lines 21 and 22 in L.D.) and inserting the following:
- 19 '5. Transactions by manufactured housing dealers. Transactions in HUD-code
 20 manufactured housing as described in Title 10, section 9002, subsection 7, paragraph A
 21 and located on leased land.'

Amend the bill in section 5 in the first paragraph by striking out all of the last underlined sentence (page 1, lines 30 to 36 in L.D.) and inserting the following: 'HUD-code manufactured housing, as described in Title 10, section 9002, subsection 7, paragraph A, sold as new after January 1, 2008 that is conveyed to a consumer by deed as provided in section 459 and upon conveyance to a consumer thereafter is real estate for all purposes, including transfer, whether voluntary or involuntary, and is conveyed, mortgaged or leased and is subject to attachment, other liens, foreclosure and execution in the same manner and with the same formality as real estate.'

Amend the bill in section 6 in §459 in subsection 1 in the first line (page 2, line 2 in L.D.) by inserting after the following: "conveying" the following: 'HUD-code'

Amend the bill in section 6 in §459 in subsection 1 in the 3rd line (page 2, line 4 in L.D.) by inserting after the following: "paragraphs A" the following: ', B, C'

Amend the bill in section 6 in §459 in subsection 1 in paragraph A in the Form in the 3rd indented paragraph in the last 2 lines (page 3, lines 1 and 2 in L.D.) by striking out the following: "I.J., spouse of the grantor, releases all rights in the manufactured housing being conveyed." and inserting the following: '(I.J., spouse of the grantor, releases all rights in the manufactured housing being conveyed.)'

Amend the bill in section 6 in §459 in subsection 1 in paragraph B in the Form in the 3rd indented paragraph in the last 2 lines (page 4, lines 3 and 4 in L.D.) by striking out

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- the following: "I.J., spouse of the grantor, releases all rights in the manufactured housing being conveyed." and inserting the following: '(I.J., spouse of the grantor, releases all rights in the manufactured housing being conveyed.)'
 - Amend the bill in section 6 in §459 in subsection 1 in paragraph C in the Form in the 3rd indented paragraph in the last 2 lines (page 4, lines 38 and 39 in L.D.) by striking out the following: "I.J., spouse of the grantor, releases all rights in the manufactured housing being conveyed." and inserting the following: '(I.J., spouse of the grantor, releases all rights in the manufactured housing being conveyed.)'
- Amend the bill in section 6 in §459 in subsection 1 in paragraph E in the Form in the 3rd indented paragraph in the last 2 lines (page 6, lines 33 and 34 in L.D.) by striking out the following: "G.H., spouse of the grantor, releases all rights in the manufactured housing being conveyed." and inserting the following: '(G.H., spouse of the grantor, releases all rights in the manufactured housing being conveyed.)'
- Amend the bill in section 6 in §459 by striking out all of subsection 2 and inserting the following:
- 16 '2. Deed required. A deed substantially in the form prescribed by subsection 1,
 17 paragraphs A, B and C, duly executed and delivered, is required to transfer to a consumer
 18 title to any HUD-code manufactured housing.'
- Amend the bill by striking out all of section 7 and inserting the following:
- 20 'Sec. 7. 36 MRSA §4641-C, sub-§19, as amended by PL 2001, c. 559, Pt. I, §7 and affected by §15, is further amended to read:
- 22 **19. Change in identity or form of ownership.** Any transfer of real property, 23 whether accomplished by deed, conversion, merger, consolidation or otherwise, if it 24 consists of a mere change in identity or form of ownership of an entity. This exemption 25 is limited to those transfers when no change in beneficial ownership is made and may 26 include transfers involving corporations, partnerships, limited liability companies, trusts, 27 estates, associations and other entities; and
- 28 **Sec. 8. 36 MRSA §4641-C, sub-§20,** as enacted by PL 2001, c. 559, Pt. I, §8 and affected by §15, is amended to read:
- 20. Controlling interests. Transfers of controlling interests in an entity with a fee interest in real property if the transfer of the real property would qualify for exemption if accomplished by deed of the real property between the parties to the transfer of the controlling interest.; and
- 34 Sec. 9. 36 MRSA §4641-C, sub-§21 is enacted to read:
- 21. Original transfers of manufactured housing. Transfers of HUD-code manufactured housing to a consumer by deed pursuant to Title 33, section 151 that are subject to sales tax.
- 38 Sec. 10. Effective date. This Part takes effect January 1, 2008.

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COMMITTEE AMENDMENT "A" to S.P. 602, L.D. 1695

1 2	Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.
3	SUMMARY
4	This amendment is the minority report of the Joint Standing Committee on Judiciary.
5 6 7	This amendment removes the provision for the creation of a security interest in HUD-code manufactured housing under the Uniform Commercial Code as an alternative to a real estate mortgage.
8 9	This amendment limits the exemption from the real estate license law to transactions in HUD-code manufactured housing.
10 11 12	This amendment mandates the conveyance by deed of HUD-code manufactured housing to a consumer and incorporates the transformation from personal property to real estate caused by the conveyance into the sales and real estate transfer tax laws.
13 14 15 16 17 18	This amendment clarifies that all kinds of deeds are available for transfers of title in HUD-code manufactured housing, adds parentheses to the provisions for spousal joinder in the deed forms to remove any suggestion that spousal rights are created in the forms. It also removes the limitation to transfers occurring prior to installation to the requirement of transfer of HUD-code manufactured housing by deed to a consumer and exempts from the real estate transfer tax original transfers by deed of HUD-code manufactured housing to a consumer that are subject to sales tax.
20 21 22 23 24	This amendment also repeals the language establishing a titling process in the Maine Revised Statutes, Title 29-A, originally enacted by Public Law 2005, chapter 678. The sections dealing with the titling process are repealed September 30, 2007. The provisions establishing the conveyancing by deed of HUD-code manufactured housing take effect January 1, 2008.
25	FISCAL NOTE REQUIRED
26	(See attached)

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123rd MAINE LEGISLATURE

LD 1695

LR 1703(02)

An Act To Amend the Laws Regarding the Conveyance of Manufactured Housing

Fiscal Note for Bill as Amended by Committee Amendment "A"

Committee: Judiciary

Fiscal Note Required: Yes

Fiscal Note

	2007-08	2008-09	Projections 2009-10	Projections 2010-11
Net Cost (Savings) Highway Fund	\$17,250	\$17,250	\$17,250	\$17,250
Revenue Highway Fund	(\$17,250)	(\$17,250)	(\$17,250)	(\$17,250)

Fiscal Detail and Notes

Beginning in fiscal year 2007-08, the repeal of certain titling requirements for manufactured housing will result in the loss of \$17,250 in annual Highway Fund revenue collected by the Secretary of State.