

SESSION OF 2009

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2091

As Recommended by House Committee on
Financial Institutions

Brief*

HB 2091 would amend existing law to clarify that the provisions of the Kansas Manufactured Housing Act will not apply to modular homes.

A “modular home” is defined elsewhere in the Act (KSA 58-4202) to mean “a structure which is: (1) Transportable in one or more sections; (2) designed to be used as a dwelling on a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air conditioning and electrical systems contained therein; and (3) certified by its manufacturer as being constructed in accordance with a nationally recognized building code.”

Background

The bill was introduced by the House Committee on Financial Institutions at the request of the Kansas Manufactured Housing Association whose representative indicated that the bill would provide statutory clarification within the Kansas Manufactured Housing Act in light of a recent bankruptcy case. The conferee noted that modular homes are never considered personal property and consequently, they are not issued a certificate of title. Written support of the bill was provided by the Kansas Bankers Association whose representative indicated that the distinction between a modular home and a manufactured home is important to the banking industry; lenders perfect their security interest on modular homes by filing a mortgage with the register of deeds (no title

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

is issued). There were no opponents present at the time of the bill hearing.

The fiscal note prepared by the Division of the Budget states that passage of the bill would have no fiscal effect on state agency budgets.