

A-Engrossed
Senate Bill 440

Ordered by the Senate March 15
Including Senate Amendments dated March 15

Sponsored by COMMITTEE ON BUSINESS, TRANSPORTATION AND WORKFORCE DEVELOPMENT (at the request of Oregon Association of County Assessors, Oregon Association of County Tax Collectors)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Expands information to be included on manufactured structure ownership documents issued on or after effective date of Act. Requires that notice of manufactured structure sale provided to county assessor be accompanied by documentation of tax payment or cancellation.

A BILL FOR AN ACT

1
2 Relating to documents pertaining to manufactured structure ownership; creating new provisions; and
3 amending ORS 446.566, 446.641 and 446.736.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 446.566 is amended to read:

6 446.566. The following information must be recorded on [*an*] **the** ownership document issued **for**
7 **a manufactured structure** by the Department of Consumer and Business Services:

8 (1) All ownership interests, [*in*] **for** a manufactured structure sold in this state.

9 (2) A change in [*the*] location, [*of*] **for** a manufactured structure that has been sited in this state.

10 (3) The manufactured structure identification number as described by department rule.

11 (4) **The manufacturer's name and, if available, the model of the manufactured structure.**

12 (5) **The identifying physical characteristics of the manufactured structure, including but**
13 **not limited to the total square footage of the living area, type of siding, type of roof, number**
14 **of bedrooms, number of bathrooms and types of heating and cooling.**

15 (6) **If the ownership document is issued due to sale of the manufactured structure, the**
16 **most recent sales price and date of sale for the manufactured structure.**

17 [*(4)*] (7) Any other information required by department rule.

18 **SECTION 2.** Section 3 of this 2007 Act is added to and made a part of ORS 446.566 to
19 **446.646.**

20 **SECTION 3.** (1) **Except as provided in this subsection, if a manufactured structure is**
21 **purchased from or otherwise acquired through a manufactured structure dealer, the dealer**
22 **shall provide the information described in ORS 446.566 (3) to (7) to the Department of Con-**
23 **sumer and Business Services. A manufactured structure dealer is not required to provide the**
24 **information to the department if the dealer complies with an instruction from the purchaser**
25 **to provide the information to a lender, escrow agent, title company or other designee of the**
26 **purchaser. A lender, escrow agent, title company or other designee of the purchaser that**
27 **receives the information described in ORS 446.566 (3) to (7) from a manufactured structure**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 **dealer shall provide the information to the department. However, the provision of informa-**
2 **tion described in ORS 446.566 (3) to (7) to the purchaser does not excuse a manufactured**
3 **structure dealer from the duty to provide the information to the department.**

4 **(2) If the manufactured structure is sold by or otherwise acquired through a person other**
5 **than a manufactured structure dealer, the information described in ORS 446.566 (3) to (7)**
6 **shall be provided to the department:**

7 **(a) By the seller if title is being transferred by a sale;**

8 **(b) By the person to whom the ownership interest is being transferred if title is being**
9 **transferred by operation of law; or**

10 **(c) By the owner if the owner will have a recorded ownership interest in the manufac-**
11 **tured structure after issuance of the ownership document.**

12 **SECTION 4.** ORS 446.641 is amended to read:

13 446.641. (1) If a person sells an ownership interest in a manufactured structure for which there
14 is an ownership document issued under ORS 466.611 or a structure described in ORS 446.621 (1) to
15 (6), the seller shall give notice of the sale to the county assessor for the county in which the
16 structure is sited.

17 (2) The seller's notice must be on a form approved by the Department of Consumer and Business
18 Services. Information required by the form must include, but need not be limited to:

19 (a) The identities of the seller and the purchaser;

20 (b) Any change in the security interest in the structure resulting from the transaction; and

21 (c) For each holder of an unreleased security interest:

22 (A) A signed statement recorded on the ownership document for the manufactured structure
23 acknowledging that the interest holder is aware of the sale; or

24 (B) Documentation satisfactory to the department showing that acknowledgment by the holder
25 was requested but the holder has not responded.

26 (3) The seller shall submit **the following** with the notice:

27 **(a) The ownership document or other document evidencing ownership of the manufactured**
28 **structure. [and]**

29 **(b) A copy of the bill of sale.**

30 **(c) Documentation satisfactory to the county assessor that all taxes and special assess-**
31 **ments for the current year, all taxes in homestead deferral as described under ORS 311.666**
32 **to 311.701 and all delinquent taxes and special assessments for past years are paid or have**
33 **been canceled.**

34 (4) The county assessor shall forward the information contained in the notice and the ownership
35 document or other document evidencing ownership to the department. The department shall update
36 the ownership document for the manufactured structure or, if no ownership document exists, enter
37 the information in the department's records and issue an ownership document for the structure.

38 (5) The department shall deliver an ownership document updated or issued under subsection (4)
39 of this section to the holder of the earliest perfected unreleased security interest in the manufac-
40 tured structure or, if none, to the owner of the structure. The department shall also send a copy of
41 the ownership document to the county assessor.

42 (6) A transfer of ownership of a manufactured structure by operation of law is a sale of the
43 manufactured structure for purposes of this section.

44 (7) Notice given to a county assessor under subsection (1) of this section is not an instrument
45 of conveyance.

1 (8) If a seller does not give a notice of sale to the county assessor within 30 days after closing
2 of the sale of a manufactured structure, a buyer may submit a notice of sale to the assessor if the
3 notice is accompanied by proof of sale acceptable to the department as provided by rule. Upon re-
4 ceipt of a notice of sale and acceptable proof of sale, the assessor shall forward the information to
5 the department as provided in subsection (4) of this section. Submission of a notice of sale by a
6 buyer does not excuse a seller from civil penalty under ORS 455.895 for a violation of subsection (1)
7 of this section.

8 **SECTION 5.** ORS 446.736 is amended to read:

9 446.736. (1) Except as provided in subsection (7) of this section, a manufactured structure dealer
10 who transfers an interest in a manufactured structure shall:

11 (a) Submit to the Department of Consumer and Business Services an application for an owner-
12 ship document on behalf of the purchaser; or

13 (b) If the purchase is being financed, submit sufficient information to a lender to allow the
14 lender to make an application to the department for an ownership document.

15 (2) An application under subsection (1) of this section must be on a form approved by the de-
16 partment and include:

17 (a) The year, *[make, style]* **manufacturer's name, model if available** and identification number
18 for the manufactured structure.

19 (b) Any existing ownership document for the structure or, if none, the manufacturer's certificate
20 of origin or other document evidencing ownership of the manufactured structure.

21 (c) The legal description or street address for the proposed situs for the manufactured structure.

22 (d) The identity of the owner of record for the location where the manufactured structure is
23 being sited or, if the structure is being sited in a facility as defined in ORS 90.100, the name of the
24 facility.

25 (e) The name and mailing address of each person acquiring an ownership interest in the manu-
26 factured structure.

27 (f) The name and mailing address of each person acquiring a security interest in the manufac-
28 tured structure.

29 (g) Any other information required by the department by rule for processing an application.

30 (3) If a manufactured structure dealer is unable to comply with subsection (1) of this section,
31 within 25 business days of the transfer the dealer shall provide a notice of delay to the security
32 interest holder next named, if any, and the purchaser. The notice must contain:

33 (a) The reason for the delay;

34 (b) The anticipated extent of the delay; and

35 (c) A statement of the rights and remedies available to the purchaser if the delay becomes un-
36 reasonably extended.

37 (4) A manufactured structure dealer that fails to comply with this section is subject to revoca-
38 tion or suspension of the dealer's license or being placed on probation by the Department of Con-
39 sumer and Business Services pursuant to ORS 446.741. A dealer that fails to comply with subsection
40 (1) of this section within 90 days is subject to criminal penalties under ORS 446.746 (1)(h).

41 (5) Notwithstanding subsections (1) and (4) of this section, if a purchaser is not in compliance
42 with the payment terms of a purchase agreement on the 20th calendar day after the transfer, the
43 dealer is not required to perform under subsection (1) of this section until 25 calendar days after the
44 purchaser is in compliance with the payment terms of the purchase agreement. This subsection does
45 not excuse the duty of the dealer under subsection (3) of this section.

1 (6) This section does not apply to a transfer of interest in a manufactured structure that is
2 subject to an escrow transaction.

3 (7) This section does not apply to a manufactured structure for which an application is filed
4 under ORS 446.626 within 25 business days of the transfer.

5 **SECTION 6. (1) The amendments to ORS 446.566 by section 1 of this 2007 Act apply to**
6 **manufactured structure ownership documents for which an application is filed on or after**
7 **the effective date of this 2007 Act.**

8 **(2) The amendments to ORS 446.641 by section 4 of this 2007 Act apply to sales for which**
9 **the county assessor receives a notice of sale on or after the effective date of this 2007 Act.**

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