- 2023

68th Legislature 2023 Drafter: Toni Henneman, 406-444-3593 HB0889.002.001

1 HOUSE BILL NO. 889 2 INTRODUCED BY J. KARLEN, P. FLOWERS 3 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING THE MONTANA RESIDENTIAL MOBILE 4 HOME LOT RENTAL ACT: PROVIDING ADDITIONAL POLICY STATEMENTS: PROVIDING ADDITIONAL 5 6 RENTAL AGREEMENT TERMS; LIMITING A LANDLORD'S ABILITY TO INTERFERE WITH THE SALE OF A 7 MOBILE HOME; PROVIDING ALLOWABLE REASONS TO DISAPPROVE A PROSPECTIVE BUYER FROM 8 OBTAINING A RENTAL AGREEMENT: PROVIDING ADDITIONAL PROTECTIONS TO A RESIDENT 9 ASSOCIATION: PROVIDING ADDITIONAL ACTIONS DEEMED RETALIATORY BY A LANDLORD; 10 REVISING REASONS FOR AND THE PROCESS OF A LAWFUL EVICTION OR TERMINATION OF A RENTAL AGREEMENT; PROVIDING ADDITIONAL REMEDIES; PROVIDING AN APPROPRIATION; 11 AMENDING SECTIONS 70-33-102, 70-33-103, 70-33-201, 70-33-305, 70-33-314, 70-33-431, AND 70-33-433, 12 MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE." 13 14 15 WHEREAS, the right of an individual to own and use property is held in high regard in Montana, and 16 mobile home parks present a unique circumstance in which the right of a mobile home owner to obtain, 17 possess, and use the mobile home owner's property without restriction must be considered as important and 18 worthy of protection as the right of a mobile home park owner to use the land on which the property resides; 19 and WHEREAS, many states, including Montana, have experienced mobile home park management 20 21 companies or investors who purchase a mobile home park without the knowledge of the values and geographic 22 necessities of a community and who then proceed to cut maintenance services or charge exorbitant fees and 23 rent to increase profits; and 24 WHEREAS, mobile home parks offer affordable housing solutions to many Montanans who often 25 depend on a fixed income, and volatile rent and fee increases make mobile home park lot rental difficult to afford, which can lead to housing displacement for many senior citizens and low-income tenants; and 26 WHEREAS, to provide for and maintain necessary affordable housing, the state of Montana needs to 27



- 2023

1	ensure that mobile home park tenants are sufficiently notified of rental increases and fee increases.
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3	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
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5	Section 1. Section 70-33-102, MCA, is amended to read:
6	"70-33-102. Purpose liberal construction. (1) This chapter must be liberally construed and
7	applied to promote the underlying purposes and policies of this chapter.
8	(2) The underlying purposes and policies of this chapter are to:
9	(a) simplify and clarify the law governing the rental of land to owners of mobile homes and
10	manufactured homes and the rights and obligations of landlords and tenants concerning lot rentals; and
11	(b) encourage landlords and tenants to maintain and improve the quality of housing and require
12	landlords to maintain common land and infrastructure to ensure the health and safety of residents while
13	maintaining reasonable rental costs and fees;
14	(c) maintain affordable housing solutions by discouraging excessive rent and fee increases that
15	risk displacing senior citizens, low-income residents, and low-wage workers;
16	(d) discourage evictions without just cause and provide tenants an adequate timeline when a
17	justified eviction occurs; and
18	(e) protect tenants from retaliation and unreasonable lease provisions."
19	
20	Section 1. Section 70-33-103, MCA, is amended to read:
21	"70-33-103. Definitions. Unless the context clearly requires otherwise, in this chapter, the following
22	definitions apply:
23	(1) "Abandon" means to give up possession of the premises unless the landlord does not accept
24	abandonment or surrender as provided in 70-33-426 or unless the rental agreement has been terminated as
25	provided by law.
26	(2) "Action" includes recoupment, counterclaim, setoff suit in equity, and any other proceeding in
27	which rights are determined, including an action for possession.



- 2023

1	and any other legal or commercial entity.	
2	(13)(14) "Person" includes an individual or organization.	
3	(14)(15) "Premises" means a lot and the grounds, areas, and facilities held out for the use of tenants	
4	generally or promised for the use of a tenant.	
5	(15)(16) "Rent" means all payments to be made to a landlord, including rent, unit rent, utility and	
6	administrative fees, late fees, or other charges as agreed on in the rental agreement, except money paid as a	
7	security deposit.	
8	(16)(17) "Rental agreement" means all agreements, written or oral, and valid rules adopted under 70-	
9	33-311 embodying the terms and conditions concerning the use and occupancy of the premises.	
10	(18) "Resident association" means an organization of residents who own and occupy mobile homes	
11	in a mobile home park that is organized to address the common interests of the residents.	
12	(17)(19) "Tenant" means:	
13	(a) a person entitled under a rental agreement to occupy a lot to the exclusion of others; or	
14	(b) a person who, with the written approval of the landlord and pursuant to the rental agreement,	
15	has a sublease agreement with the person who is entitled to occupy the dwelling unit under the rental	
16	agreement.	
17	(18)(20) "Unauthorized person or trespasser" means a person who:	
18	(a) enters or remains after being asked to leave by the landlord and does not receive written	
19	permission by the landlord to remain on the premises;	
20	(b) is in violation of 45-6-201;	
21	(c) is in violation of 45-6-203; or	
22	(d) is in violation of 70-27-102."	
23		
24	Section 2. Section 70-33-201, MCA, is amended to read:	
25	"70-33-201. Rental agreements. (1) A landlord and a tenant may include in a rental agreement terms	
26	and conditions not prohibited by this chapter or other rule or law.	
27	(2) Unless the rental agreement provides otherwise:	



- 2023

1	(a)	the tenant shall pay as rent the rental value for the use and occupancy of the lot as determined
2	by the landlord	;
3	(b)	rent is payable at the landlord's address or using electronic funds transfer to an account
4	designated for	the payment of rent by the landlord;
5	(c)	periodic rent is payable at the beginning of a term that is a month or less and otherwise in
6	equal monthly	installments at the beginning of each month;
7	(d)	rent is uniformly apportionable from day to day;
8	(e)	the tenancy is from month to month the agreement is for a term of 1 year unless a longer
9	period OR A MO	NTH-TO-MONTH LEASE is mutually agreed on by both the tenant and the landlord; and
10	(f)	if either party terminates the rental agreement without cause prior to the expiration date of the
11	lease term, the	aggrieved party is entitled to monetary damages up to 1 month's rent or an amount that is
12	agreed on in th	ne rental agreement, which may not exceed 1 month's rent. Landlords shall follow 70-33-426(2)
13	and are entitled to rent from defaulting tenants up to the date a new tenancy starts or the date the rental	
14	agreement terr	m expires.
15	(3)	Rent is payable without demand or notice at the time and place agreed upon on by the parties
16	or as provided	by subsection (2).
17	(4)	Sixty For a rental agreement with a lease term of 1 year or longer, 60 days prior to the
18	expiration of th	e term of a-the rental agreement, the landlord shall offer the tenant a renewal lease for the same
19	term and with t	the same provisions as the original agreement, unless the landlord notifies the resident in writing
20	a minimum of 6	60 days prior to the expiration of the rental agreement that the agreement will not be renewed
21	for reasons pu	rsuant to 70-33-433.
22	<u>(5)</u>	NOTHING IN THIS SECTION PREVENTS A LANDLORD FROM TERMINATING A RENTAL AGREEMENT
23	PURSUANT TO 7	0-33-433 BEFORE THE END OF A LEASE TERM."
24		
25	Sectio	n 3. Section 70-33-305, MCA, is amended to read:
26	"70-33	-305. Transfer of premises by tenant <u> rights and duties of landlord and tenant</u> . (1) A
27	tenant who vac	cates a lot during the term of a tenancy may not allow the possession of the property to be



- 2023

68th Legislature 2023 Drafter: Toni Henneman, 406-444-3593 HB0889.002.001

1 transferred to a third person or sublet the property unless the landlord or the landlord's agent has consented in 2 writing. 3 (2) The sale or rental of a mobile home located upon a lot does not entitle the purchaser or renter 4 to retain rental of the lot unless the purchaser or renter enters into a rental agreement with the owner of the lot. 5 (a) A mobile home owner who owns the mobile home but rents the lot has the exclusive right to (3) 6 sell the mobile home without interference or conditions by the landlord, INCLUDING THE CONSIDERATION OF THE 7 AGE OF THE MOBILE HOME AS GROUNDS FOR DISAPPROVING A POTENTIAL PURCHASER. The new purchaser shall 8 make suitable arrangements with the landlord in order to become a tenant on the mobile home lot. The 9 purchase of the mobile home does not automatically entitle the purchaser potential buyer PURCHASER to rent the 10 mobile home lot. 11 The landlord may require the prospective buyer to submit an application for lease or sublease 12 or receive an assignment of the lease for a rental site and may make reasonable review of the new buyer. The landlord has 30 calendar days after receiving a completed application from a prospective buyer to give written 13 14 notice to the buyer and seller stating the acceptance or denial of the buyer. If denied, the prospective buyer may request the reasons for the denial and the landlord shall provide written reasons to the buyer., and a 15 16 landlord may refuse to lease to a prospective buyer: 17 if the prospective buyer has an adverse credit report; 18 if a background check indicates that the prospective buyer will pose an unreasonable hazard to 19 the safety or peaceful enjoyment of the residents of the mobile home park; or 20 for any reasonable and prudent objection determined by the landlord. 21 (b) The age or condition of a mobile home is not grounds for disapproving a prospective buyer for 22 a lease. The landlord may not disapprove an assignment of the lease from the tenant to the tenant's bona fide 23 creditor. 24 The landlord may require the prospective buyer to submit an application for lease or sublease 25 or receive an assignment of the lease for the rental site and may make reasonable review of the new buyer as 26 provided in subsections (3)(a)(i) through (3)(a)(iii). The landlord has 14 calendar days after receiving an 27 application from the prospective buyer to give written notice to the buyer stating the reasons for the disapproval.



- 2023

68th Legislature 2023 Drafter: Toni Henneman, 406-444-3593 HB0889.002.001

1 If the prospective buyer is not provided with a written notice of disapproval within 14 calendar days, the 2 prospective tenant is deemed approved. A notice of denial must also be sent to the selling mobile home owner 3 without details unless the prospective buyer has given written consent to release details to the home owner. 4 (d) The mobile home owner or prospective buyer may seek judicial review of the landlord's refusal to lease to the prospective buyer. To continue with the denial of the lease, the landlord shall prove to the court 5 6 that the disapproval was objectively reasonable and in good faith. If the court finds that the disapproval was not 7 justified, the court shall order the grant of a site lease and award any actual damages, costs, and reasonable 8 attorney fees to the mobile home owner or prospective buyer. 9 (4) A mobile home owner who wishes to sell a mobile home as allowed in subsection (3) shall 10 notify the landlord of a proposed sale of the home. 11 (5) A landlord may not deny a mobile home owner the right to sell a mobile home on a rented 12 space and may not require a home to be removed from the space solely on the basis of the sale of the home. A 13 landlord may not limit the sale of a home on the basis of the home's age or physical condition or in any way 14 misrepresent that the home may not be sold. A landlord may not require that a mobile home owner make any addition or improvement to the home as a condition of sale unless those additions or improvements 15 16 are required by law. 17 (6) A landlord or an employee of a mobile home park may not act as agent or broker in the sale of 18 a tenant's mobile home and may not exact a commission or fee from the sale of a home owned by a tenant. 19 A landlord or employee of a mobile home park may not require that a tenant use the services of a particular 20 dealer or broker when selling a home. 21 (7) A landlord may not place unreasonable, unfair, or discriminatory restriction on sale advertisement signs or on access to the mobile home park by prospective buyers, realtors, or 22 23 other representatives of the mobile home owner and may not interfere with the mobile home owner's efforts to 24 sell a mobile home. 25 (8) A landlord may not request, negotiate, or demand an option to purchase a mobile home on 26 resale or termination unless the purchase price is determined by a qualified, neutral third party at the expense 27 of the landlord or based on the first offer of a bona fide purchaser for value."



- 2023

1	acts or omissio	ns of the association or of any other officers or members of the association.
2	<u>(7)</u>	A landlord may not harass or threaten a resident association or engage in any unfair or
3	deceptive cond	luct to inhibit or interfere with the creation or operation of a residential association."
4		
5	Sectio	n 5. Section 70-33-431, MCA, is amended to read:
6	"70-33	-431. Retaliatory conduct by landlord prohibited. (1) Except as provided in this section, a
7	landlord may n	ot retaliate by increasing rent, by decreasing services, by altering or refusing to renew an
8	existing rental	agreement, by imposing any fee, by changing mobile home park rules, by enforcing mobile
9	home park rule	s in an unreasonable or nonuniform manner, by bringing or threatening to bring an action for
10	eviction, or by	oringing or threatening to bring an action for possession after the tenant <u>has</u> :
11	(a)	has-complained of a violation applicable to the premises materially affecting health and safety
12	to a governme	ntal agency charged with responsibility for enforcement of a building or housing code;
13	(b)	has complained to the landlord in writing of a violation under 70-33-303; or
14	(c)	has organized or become a member of a tenant's union, mobile home park resident
15	association, or	similar organization <u>;</u>
16	<u>(d)</u>	testified in a judicial or administrative proceeding or before a public body;
17	<u>(e)</u>	expressed an intent to organize, has organized, or is a member of a resident association;
18	<u>(f)</u>	expressed an intent to abate or withhold rent or has abated or withheld rent for the actual and
19	reasonable cos	st of repairing conditions in the mobile home park that are the responsibility of the landlord after
20	giving the land	ord notice and a reasonable opportunity to make the repairs;
21	<del>(g)</del> (f)	engaged in political activity;
22	<del>(h)</del> (g)	retained legal counsel or an agent to represent the tenant's interests;
23	<del>(i)</del> (h)	exercised the tenant's right to freedom of association and assembly or freedom of speech; or
24	<del>(j)</del> (i)	performed or expressed an intent to perform any other act for the purpose of asserting,
25	protecting, or in	nvoking the protection of any right secured to residents under the lease or under any federal,
26	state, or local la	<u>aw</u> .
27	(2)	If the landlord acts in violation of subsection (1) of this section, the tenant is entitled to the



- 2023

68th Legislature 2023 Drafter: Toni Henneman, 406-444-3593 HB0889.002.001

1 remedies provided in 70-33-409 and has a defense in any retaliatory action against the tenant for possession.

- (3) In an action by or against the tenant, evidence of a complaint within 6 months before the alleged act of retaliation creates a rebuttable presumption that the landlord's conduct was in retaliation. The presumption does not arise if the tenant made the complaint after notice of a proposed rent increase or diminution of services. For purposes of this subsection, "rebuttable presumption" means that the trier of fact is required to find the existence of the fact presumed unless evidence is introduced that would support a finding of its nonexistence.
  - (4) Subsections (1) through (3) do not prevent a landlord from bringing an action for possession if:
- (a) the violation of the applicable building or housing code was caused primarily by lack of reasonable care by the tenant, a member of the tenant's family, or any other persons on the premises with the tenant's consent;
- (b) the tenant is in default in rent; or
- (c) compliance with the applicable building or housing code requires alteration, remodeling, or demolition that would effectively deprive the tenant of use of the lot.
- (5) The maintenance of an action under subsection (4) of this section does not release the landlord from liability under 70-33-404(2)."

Section 6. Section 70-33-433, MCA, is amended to read:

- "70-33-433. Grounds for termination of rental agreement eviction process. (1) If there is a noncompliance by the tenant with the rental agreement or with a provision of 70-33-321, the landlord may deliver a written notice to the tenant pursuant to 70-33-106 specifying the acts or omissions constituting the noncompliance and stating that the rental agreement will terminate upon on the date specified in the notice that may not be less than the minimum number of days after receipt of the notice provided for in this section. The rental agreement terminates as provided in the notice for one or more of the following reasons and subject to the following conditions:
- (a) <u>as specified in subsection (2),</u> nonpayment of rent, late charges, or common area maintenance fees as established in the rental agreement, for which the notice period is 7 days;



- 2023

68th Legislature 2023 Drafter: Toni Henneman, 406-444-3593 HB0889.002.001

1 (b) <u>pursuant to subsection (5) (4),</u> a violation of a rule other than provided for in subsection (1)(a)
2 that does not create an immediate threat to the health and safety of any other tenant or the landlord or
3 manager, for which the notice period is 14 days;

- (c) a violation of a rule that creates an immediate threat to the health and safety of any other tenant or the landlord or manager, for which the notice period is 24 hours;
- (d) late payment of rent, late charges, or common area maintenance fees, as established in the rental agreement, three or more times within a 12-month period if written notice is given by the landlord after each failure to pay, as required by subsection (1)(a), for which the notice period for termination for the final late payment is 30 days;
- (e) a violation of a rule that creates an immediate threat to the health and safety of any other tenant or the landlord or manager whether or not notice was given pursuant to subsection (1)(c) and the violation was remedied as provided in subsection (3) (4) (3), for which the notice period is 14 days;
- (f) <u>pursuant to subsection (5) (4),</u> two or more violations within a 6-month period of the same rule for which notice has been given for each prior violation, as provided in subsection (1)(a), (1)(b), or (1)(c), for which the notice period for the final violation is 30 days;
- (g) two or more violations of 70-33-321(1) within a 6-month period, for which the notice period for the final violation is 14 days;
  - (h) any violation of 70-33-321(3) or (4), for which the notice period is as provided in 70-33-422(1);
- (i) disorderly conduct that results in disruption of the rights of others to the peaceful enjoyment and use of the premises, for which the notice period is 7 days;
- (j) any other noncompliance or violation not covered by subsections (1)(a) through (1)(i) that endangers other tenants or mobile home park personnel or the landlord or manager or causes substantial damage to the premises, for which the notice period is 14 days;
- (k) conviction of the mobile home owner or a tenant of the mobile home owner of a violation of a federal or state law or local ordinance, when the violation is detrimental to the health, safety, or welfare of other tenants or the landlord or manager or the landlord's documentation of a violation of the provisions of Title 45, chapter 9, for which the notice period is 14 days; and



- 2023

1	(I) changes in the use of the land if the requirements of subsection (2) (3) (2) are met, for which
2	the notice period is 180 days;
3	(m) any legitimate business reason not covered elsewhere in this subsection (1) if the landlord meets
4	the following requirements:
5	(i) the termination does not violate a provision of this section or any other state statute; and
6	(ii) the landlord has given the mobile home owner or tenant of the mobile home owner a minimum of
7	90 days' written notice of the termination.
8	(2) (a) A landlord may not institute eviction procedures for nonpayment of rent until 45 days
9	have elapsed from the date the tenant receives notice that rent is delinquent and only if the tenant has not
10	tendered the delinquent payment during that 45-day period. The notice must state the total amount of rent due,
11	including an itemization, and must inform the tenant that the landlord intends to commence an eviction
12	proceeding unless the tenant makes the delinquent payment within 45 days.
13	(b) Nonpayment of any fees, any late charges or utility charges, or any charges prohibited by law
14	is not grounds for eviction.
15	(c) Any payment made by a tenant to the landlord must be attributed first to delinquent rent
16	payments, then to current rent payments, and last to utility charges, late fees, and other fees.
17	(d) The landlord's refusal to accept rent from a tenant is not nonpayment of rent and is not
18	grounds for eviction. Withholding rent in good faith as allowed in 70-33-431(1)(f) is not nonpayment of rent and
19	is not grounds for eviction.
20	(2)(3)(2) (a) If a landlord plans to change the use of all or part of the premises from mobile home
21	lot rentals to some other use, each affected mobile home owner must receive notice from the landlord as
22	follows:
23	(a)(i) The landlord shall give the mobile home owner and a tenant of the mobile home owner at least
24	45-30 days' written notice that the landlord will be appearing before a unit of local government to request
25	permits for a change of use of the premises.
26	(b)(ii) After all required permits requesting a change of use have been approved by the unit of local
27	government, the landlord shall give the mobile home owner and a tenant of the mobile home owner 6 12



- 2023

1	months' written notice of termination of tenancy. If the change of use does not require local government
2	permits, the landlord shall give the written notice at least 6 12 months prior to the change of use. In the notice
3	the landlord shall disclose and describe in detail the nature of the change of use.
4	(c)(iii) Prior to entering a rental agreement during the 6-month 12-month notice period referred to in
5	subsection (2)(b) (3)(a)(ii) (2)(A)(II), the landlord shall give each prospective mobile home owner and any tenant
6	of the mobile home owner whose identity and address have been provided to the landlord written notice that the
7	landlord is requesting a change in use before a unit of local government or that a change in use has been
8	approved.
9	(b) A landlord may terminate a rental agreement in order to change the land use of all or part of
10	the premises of a mobile home park only if the landlord meets the following conditions:
11	(i) the rental agreement or rental renewal agreement clearly and conspicuously discloses a
12	change in land use as a ground for terminating the rental agreement;
13	(ii) the landlord has a present intent to change the land use to a use other than a mobile home
14	park; and
15	(iii) the landlord has notified the board and each mobile home owner or tenant whose lease will be
16	terminated of the intended change of land use by certified or registered mail at least 1 year before the date
17	of the change of use.
18	(3)(4)(3) Subject to the right to terminate in subsections (1)(d) through (1)(k), if the noncompliance
19	described in subsections (1)(a) through (1)(c) is remediable by repairs, the payment of damages, or otherwise
20	and the tenant adequately remedies the noncompliance before the date specified in the notice, the rental
21	agreement does not terminate as a result of that noncompliance.
22	(5)(4) (a) Violation of a mobile home park rule or regulation as provided in subsections (1)(b) or
23	(1)(f) is grounds for eviction-termination only if:
24	(i)(A) the rule has been properly promulgated pursuant to 70-33-311;
25	(ii)(B) the rule is not a significant modification of the existing lease agreement and is not unfair,
26	unreasonable, or unconscionable; AND
27	(iii)(c) the tenant had at least 60 days' notice of the rule before the violation took place.; and



- 2023

1	(iv) the rule violation is likely to continue or recur and the continuing violation would have a
2	significant adverse impact on the mobile home park or its residents.
3	(b) Violation of a rule is not grounds for eviction if the conduct or conviction was committed by a
4	member of the tenant's household, and not by the tenant, and the other person is no longer living in the home
5	and is not likely to return to the home.
6	(4)(6)(5) For the purposes of calculating the total number of notices given within a 12-month period
7	under subsection (1)(d), only one notice for each violation per month may be included in the calculation.
8	(7)(6) The landlord may terminate the rental agreement as allowed in subsection (1) or evict the
9	tenant only by court process. No eviction may be ordered if the court determines that the eviction proceeding is
10	a retaliatory act in violation of 70-33-431.
11	(8)(7) This section provides the exclusive procedure and grounds for removing, ejecting, or evicting
12	a tenant, regardless of any purported termination of the lease and regardless of whether the tenant's original
13	lease has expired or been renewed. The landlord's termination of or refusal to renew a lease on any grounds
14	is ineffective unless and until the landlord has obtained a court order under this section. This section is binding
15	on any purchaser of the mobile home park and any successor in interest to the landlord."
16	
17	<u>NEW SECTION.</u> Section 8. — Additional remedies and protections action court decision. (1)
18	To ensure that the rights of tenants available under this chapter are protected, a court may order temporary and
19	permanent injunctive relief and other equitable relief as may be appropriate, including the appointment of a
20	receiver to operate the mobile home park.
21	(2) If a court finds that a landlord's violation of this chapter is willful or reckless or that the
22	community owner has not attempted to resolve the dispute in good faith, the court shall at least treble the actual
23	damages portion of the award and may award punitive damages greater than treble actual damages.
24	(3) If a court finds that an action brought by a tenant or a resident association was brought in bad
25	faith, knowing that the action was groundless, and was brought for the purpose of harassment, the court shall
26	award the landlord reasonable attorney fees as allowed in 70-33-434.
27	(4) The provisions of this chapter do not bar any claim against any person under the common law

