

State of Arizona  
House of Representatives  
Fifty-fourth Legislature  
Second Regular Session  
2020

# HOUSE BILL 2373

AN ACT

AMENDING SECTION 41-4001, ARIZONA REVISED STATUTES; RELATING TO THE OFFICE  
OF MANUFACTURED HOUSING.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 41-4001, Arizona Revised Statutes, is amended to  
3 read:

4 41-4001. Definitions

5 In this chapter, unless the context otherwise requires:

6 1. "Accessory structure" means the installation, assembly,  
7 connection or construction of any one-story habitable room, storage room,  
8 patio, porch, garage, carport, awning, skirting, retaining wall,  
9 evaporative cooler, refrigeration air conditioning system, solar system or  
10 wood decking attached to a new or used manufactured home, mobile home or  
11 residential single family factory-built building.

12 2. "Act" means the national manufactured housing construction and  
13 safety standards act of 1974 and title VI of the housing and community  
14 development act of 1974 (P.L. 93-383, as amended by P.L. 95-128, 95-557,  
15 96-153 and 96-339).

16 3. "Alteration":

17 (a) Means the replacement, addition, modification or removal of any  
18 equipment or installation after the sale by a manufacturer to a dealer or  
19 distributor but before the sale by a dealer to a purchaser, which may  
20 affect compliance with the standards, construction, fire safety,  
21 occupancy, plumbing or heat-producing or electrical system. ~~Alteration~~

22 (b) Does not ~~mean~~ INCLUDE:

23 (i) The repair or replacement of a component or appliance requiring  
24 plug-in to an electrical receptacle if the replaced item is of the same  
25 configuration and rating as the component or appliance being repaired or  
26 replaced. ~~Alteration also does not mean~~

27 (ii) The addition of an appliance requiring plug-in to an  
28 electrical receptacle if ~~such~~ THE appliance is not provided with the unit  
29 by the manufacturer and the rating of the appliance does not exceed the  
30 rating of the receptacle to which ~~such~~ THE appliance is connected.

31 4. "Board" means the board of manufactured housing.

32 5. "Broker" means any person who acts as an agent for the sale or  
33 exchange of a used manufactured home or mobile home except as exempted in  
34 section 41-4028.

35 6. "Certificate" means a numbered or serialized label or seal that  
36 is issued by the director as certification of compliance with this  
37 chapter.

38 7. "Closed construction" means any building, building component,  
39 assembly or system manufactured in such a manner that concealed parts or  
40 processes of manufacture cannot be inspected before installation at the  
41 building site without disassembly, damage or destruction.

42 8. "Commercial" means a building with a use-occupancy  
43 classification other than single-family dwelling.

44 9. "Component" means any part, material or appliance that is  
45 built-in as an integral part of the unit during the manufacturing process.

1           10. "Consumer" means either a purchaser or seller of a unit  
2 regulated by this chapter who ~~utilizes~~ USES the services of a person  
3 licensed by the department.

4           11. "Consummation of sale" means that a purchaser has received all  
5 goods and services that the dealer or broker agreed to provide at the time  
6 the contract was entered into, the transfer of title or the filing of an  
7 affidavit of affixture, if applicable, to the sale. Consummation of sale  
8 does not include warranties.

9           12. "Dealer" means any person who sells, exchanges, buys, offers or  
10 attempts to negotiate or WHO acts as an agent for the sale or exchange of  
11 factory-built buildings, manufactured homes or mobile homes except as  
12 exempted in section 41-4028. A lease or rental agreement by which the  
13 user acquired ownership of the unit with or without additional  
14 remuneration is considered a sale under this chapter.

15           13. "Defect" means any defect in the performance, construction,  
16 components or material of a unit that renders the unit or any part of the  
17 unit unfit for the ordinary use for which it was intended.

18           14. "Department" means the Arizona department of housing.

19           15. "Director" means the director of the department.

20           16. "Earnest monies" means all monies given by a purchaser or a  
21 financial institution to a dealer or broker before consummation of the  
22 sale.

23           17. "Factory-built building":

24           (a) Means a residential or commercial building that is:

25           (i) Either wholly or in substantial part manufactured ~~using closed~~  
26 ~~construction~~ at an off-site location and transported for installation or  
27 completion, or both, on-site.

28           (ii) Constructed in compliance with adopted codes, standards and  
29 procedures.

30           (iii) Installed temporarily or permanently.

31           (b) Does not include a manufactured home, recreational vehicle,  
32 panelized commercial building using open construction, panelized  
33 residential building using open or closed construction or domestic or  
34 light commercial storage building.

35           18. "HUD" means the United States department of housing and urban  
36 development.

37           19. "Imminent safety hazard" means an imminent and unreasonable  
38 risk of death or severe personal injury.

39           20. "Installation" means:

40           (a) Connecting new or used mobile homes, manufactured homes or  
41 factory-built buildings to on-site utility terminals or repairing these  
42 utility connections.

43           (b) Placing new or used mobile homes, manufactured homes, accessory  
44 structures or factory-built buildings on foundation systems or repairing  
45 these foundation systems.

1 (c) Providing ground anchoring for new or used mobile homes or  
2 manufactured homes or repairing the ground anchoring.

3 21. "Installer" means any person who engages in the business of  
4 performing installations of manufactured homes, mobile homes or  
5 residential single family factory-built buildings.

6 22. "Installer of accessory structures" means any person who  
7 engages in the business of installing accessory structures.

8 23. "Listing agreement" means a document that contains the name and  
9 address of the seller, the year, manufacturer and serial number of the  
10 listed unit, the beginning and ending dates of the time period that the  
11 agreement is in force, the name of the lender and lien amount, if  
12 applicable, the price the seller is requesting for the unit, the  
13 commission to be paid to the licensee and the signatures of the sellers  
14 and the licensee who obtains the listing.

15 24. "Local enforcement agency" means a zoning or building  
16 department of a city, town or county or its agents.

17 25. "Manufactured home" means a structure built in accordance with  
18 the act.

19 26. "Manufacturer" means any person WHO IS engaged in  
20 manufacturing, assembling or reconstructing any unit regulated by this  
21 chapter.

22 27. "Mobile home" means a structure built before June 15, 1976, on  
23 a permanent chassis, capable of being transported in one or more sections  
24 and designed to be used with or without a permanent foundation as a  
25 dwelling when connected to on-site utilities. Mobile home does not  
26 include recreational vehicles and factory-built buildings.

27 28. "Office" means the office of manufactured housing within the  
28 department.

29 29. "Open construction" means any building, building component,  
30 assembly or system manufactured in such a manner that all portions can be  
31 readily inspected at the building site without disassembly, damage or  
32 destruction.

33 30. "Purchaser" means a person purchasing a unit in good faith from  
34 a licensed dealer or broker for purposes other than resale.

35 31. "Qualifying party" means a person who is an owner, employee,  
36 corporate officer or partner of the licensed business and who has active  
37 and direct supervision of and responsibility for all operations of that  
38 licensed business.

39 32. "Reconstruction" means construction work performed for the  
40 purpose of restoration or modification of a unit by changing or adding  
41 structural components or electrical, plumbing or heat or air producing  
42 systems.

43 33. "Recreational vehicle" means a vehicular type unit that is:

1 (a) A portable camping trailer mounted on wheels and constructed  
2 with collapsible partial sidewalls that fold for towing by another vehicle  
3 and unfold for camping.

4 (b) A motor home designed to provide temporary living quarters for  
5 recreational, camping or travel use and built on or permanently attached  
6 to a self-propelled motor vehicle chassis or on a chassis cab or van that  
7 is an integral part of the completed vehicle.

8 (c) A park trailer built on a single chassis, mounted on wheels and  
9 designed to be connected to utilities necessary for operation of installed  
10 fixtures and appliances and has a gross trailer area of not less than  
11 three hundred twenty square feet and not more than four hundred square  
12 feet when it is set up, except that it does not include fifth wheel  
13 trailers.

14 (d) A travel trailer mounted on wheels, designed to provide  
15 temporary living quarters for recreational, camping or travel use, of a  
16 size or weight that may or may not require special highway movement  
17 permits when towed by a motorized vehicle and has a trailer area of less  
18 than three hundred twenty square feet. This subdivision includes fifth  
19 wheel trailers. If a unit requires a size or weight permit, it shall be  
20 manufactured to the standards for park trailers in a 119.5 of the American  
21 national standards institute code.

22 (e) A portable truck camper constructed to provide temporary living  
23 quarters for recreational, travel or camping use and consisting of a roof,  
24 floor and sides designed to be loaded onto and unloaded from the bed of a  
25 pickup truck.

26 34. "Residential" means a building with a use-occupancy  
27 classification of a single-family dwelling or as governed by the  
28 international residential code.

29 35. "Salesperson" means any person who, for a salary, commission or  
30 compensation of any kind, is employed by or acts on behalf of any dealer  
31 or broker of manufactured homes, mobile homes or factory-built buildings  
32 to sell, exchange, buy, offer or attempt to negotiate or act as an agent  
33 for the sale or exchange of an interest in a manufactured home, mobile  
34 home or factory-built building.

35 36. "Seller" means a natural person who enters into a listing  
36 agreement with a licensed dealer or broker for the purpose of resale.

37 37. "Site development" means the development of an area for the  
38 installation of the unit's or units' locations, parking, surface drainage,  
39 driveways, on-site utility terminals and property lines at a proposed  
40 construction site or area.

41 38. "Statutory agent" means a person who is on file with the  
42 corporation commission as the statutory agent.

43 39. "Title transfer" means a true copy of the application for title  
44 transfer that is stamped or validated by the appropriate government  
45 agency.

1           40. "Unit" means a manufactured home, mobile home, factory-built  
2 building or accessory structures.

3           41. "Used unit" means any unit that is regulated by this chapter  
4 and that has been sold, bargained, exchanged or given away from a  
5 purchaser who first acquired the unit that was titled in the name of ~~such~~  
6 ~~THE~~ purchaser.

7           42. "Workmanship" means a minimum standard of construction or  
8 installation reflecting a journeyman quality of the work of the various  
9 trades.