

**SENATE APPROPRIATIONS COMMITTEE
FISCAL NOTE**

BILL NO. House Bill 1564

PRINTER NO. 3901

AMOUNT

See Fiscal Impact

FUND

Local Funds

DATE INTRODUCED

June 4, 2019

PRIME SPONSOR

Representative Emrick

DESCRIPTION AND PURPOSE OF BILL

House Bill 1564 amends Title 53 (Municipalities Generally) of the Pennsylvania Consolidated Statutes, specifically in the Consolidated County Assessment Law, to provide for the assessment of mobile homes and manufactured homes. In addition, the Consolidated County Assessment Law is amended to include provisions relating to countywide revisions of assessments in the event of a declaration by the Governor of a disaster emergency under Title 35.

Assessment of Mobile Homes and Manufactured Homes

The legislation amends section 8821 of Title 53 (relating to the assessment of mobile homes and house trailers) by replacing the term "house trailer" with "manufactured home" throughout the section. House Bill 1564 adds a new subsection (a.1) with regard to the assessment of mobile homes and manufactured homes such that in arriving at the actual value of a mobile home or manufactured home, the assessor may consider the following factors:

- (1) The value placed on the mobile home or manufactured home in the most recent national directory or valuation guide prepared by an association that analyzes mobile home or manufactured home sales and other relevant data;
- (2) Any depreciation in value of the unit;
- (3) The ability of the mobile home or manufactured home to be readily transported from one site to another;
- (4) The fair market value of the mobile home or manufactured home, using the approaches to value specified in section 8842(b)(1) (relating to valuation of property), provided, however, that such fair market value shall not include the value of the land upon which the mobile home or manufactured home is located; and
- (5) Any improvement made to the mobile home or manufactured home.

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House Bill 1564 defines a "manufactured home" as delineated in section 603(6) of the National Manufactured Housing Construction and Safety Standards Act of 1974 (Public Law 93-383, 42 U.S.C. 5402(6)) or a structure designed and used exclusively for living quarters. A "mobile home" is defined as a structure manufactured before 1976, designed and used exclusively for living quarters or commercial purposes, but only incidentally operated on a highway.

The legislation replaces the term "mobile home court operators" with "manufactured housing community owners". Under current law, a mobile home court operator is every person who leases land to two or more persons for the purpose of allowing the lessees to locate on the land a mobile home or house trailer which is subject to real property taxation. House Bill 1564 modifies this provision to be a manufactured housing community owner who leases land to three or more persons for the same purpose.

Countywide Revisions of Assessments during a Declared Disaster Emergency

House Bill 1564 amends section 8848 (relating to special provisions relating to countywide revisions of assessments) by adding a new subsection (e) to provide certain exceptions in the event of a declaration by the Governor of a disaster emergency under 35 Pa.C.S. § 7301(c) (relating to general authority of Governor) that occurs in the year during which a county conducts appeals incident to a court-ordered countywide reassessment. The legislation provides for the following exceptions under such circumstances:

- (1) The county assessment office shall mail the notice required regarding the value of the new assessment on or before July 1, except that the notice shall specify the right to appeal any new assessment value within the time period under paragraph (2).
- (2) All property owners and affected taxing districts shall have the right to appeal any new assessment value no later than September 1 of the year in which the notice under paragraph (1) is mailed.
- (3) The board of assessment appeals or the board of assessment revision, in its discretion, may commence with the hearing of appeals as soon as practicable. All appeals shall be heard and acted upon by the board not later than November 15.
- (4) The provisions of existing subsections (b) and (c)(3) regarding informal review and notice of appeal hearing, respectively, shall apply to appeals conducted in accordance with new subsection (e).
- (5) On or before December 1, 2020, the county assessment office shall certify to the taxing districts the new assessment rolls resulting from the countywide revision of assessments.
- (6) This subsection shall expire December 31, 2020.

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House Bill 1564 amends section 8852 of Title 53 (relating to regulations and training of boards) such that in the event of a declaration by the Governor of a disaster emergency under 35 Pa.C.S. § 7301(c) (relating to general authority of Governor), the training required by this section shall not be a precondition or qualification for a member of a board or auxiliary appeal board to hear and decide an appeal until six months or, in the case of a county subject to a court-ordered countywide reassessment on the effective date of the emergency, one year, following the termination of the disaster or emergency or the final extension thereof.

The provisions of this act affecting the assessment of mobile homes and manufactured homes shall take effect January 1 of the year following the date of enactment. The provisions relating to countywide revisions of assessment during a declared disaster emergency shall take effect immediately.

FISCAL IMPACT:

House Bill 1564 will have no fiscal impact on Commonwealth funds.

The temporary provisions extending certain deadlines for notice and appeals of countywide revisions of assessments during a declared disaster emergency will have no permanent fiscal impact on local funds.

House Bill 1564 allows an assessor of real property to take into consideration certain factors that may alter the assessment of mobile homes and manufactured homes, which could result in lower property tax assessments at the local level. Examples of such factors include depreciation in value of a mobile home or manufactured home and reliance on the value placed on such homes in the most recent national directory or valuation guide prepared by an association that analyzes mobile home or manufactured home sales.

However, the legislation allows an assessor to take into consideration certain factors that may increase the assessment of mobile homes and manufactured homes, which could result in higher property tax assessments at the local level. For example, any improvement made to the mobile home or manufactured home may be taken into account to arrive at the actual value of such homes. Presumably, such improvements could potentially increase the assessed value of the property.

House Bill 1564 does not mandate these considerations, so county assessments on mobile homes and manufactured homes could result in lower or higher property tax collections only to the extent such factors are utilized during the assessment process.