

March 15, 2005

H 630. MANUFACTURED HOMES ESCROW ACCOUNTS. TO REQUIRE MANUFACTURED HOMES ESCROW ACCOUNTS. Current GS 143-143.21A(f) requires that the NC Manufactured Housing Board adopt rules concerning the terms of buyer deposits and authorizes Board to exempt deposits under \$2,000 from those rules. Act amends section to require that all buyer deposits be held in an escrow account until acceptance of the home by the buyer and that the deposits be free from the claims of creditors to the extent permitted by federal bankruptcy laws.

Intro. by Goforth.

Ref. to Commerce

GS 143

May 4, 2005

H 630. MANUFACTURED HOMES ESCROW ACCOUNTS. Intro. 3/15/05. House committee substitute makes the following changes to 1st edition. Deletes provisions in original bill that required escrow deposits be held until the delivery of the home. Adds provision authorizing the dealer to use the deposit funds to complete the steps necessary for site preparation if approved by the buyer and deletes provision in current law that provides that claims of dealer's creditors that may thereafter be in bankruptcy may not reach the escrow funds. (Underlined language deleted.)

May 11, 2005

H 630. MANUFACTURED HOMES ESCROW ACCOUNTS. Intro. 3/15/05. House amendment makes the following changes to 2nd edition. Specifies that dealer may not use deposit funds to develop sites not owned by the buyer of the home.

August 11, 2005

H 630. MANUFACTURED HOMES ESCROW ACCOUNTS. Intro. 3/15/05. House committee substitute makes the following changes to 3rd edition. Rewrites bill and changes title to *AN ACT TO REQUIRE MANUFACTURED HOME DEALERS TO ESTABLISH AND MAINTAIN ESCROW OR TRUST ACCOUNTS FOR BUYER DEPOSITS; TO CLARIFY THE CONTRACT NEGOTIATION PROCESS AND EXTEND THE CANCELLATION PERIOD; TO CHANGE THE MEMBERSHIP OF THE NORTH CAROLINA MANUFACTURED HOUSING BOARD; AND TO PROVIDE BUYERS WITH INFORMATION REGARDING THE PRICE OF MANUFACTURED HOMES*. Designates GS 143-143.8 through 143-143.25 as Part 1 of GS Chapter 143, Article 9A, entitled "Duties, Warranties, Purchase Transaction," and makes following changes to that part. Expands definitions in GS 143-143.9 to cover additional terms in Part 1 and new Part 2 of GS Chapter 143, Article 9A. Adds following two member positions (in GS 143-143.10) to NC Manufactured Housing Board: person employed with HUD-approved counseling agency in NC, to be appointed by Speaker of House; and an accountant, to be appointed by President Pro Tem. of Senate. Authorizes Board (in GS 143-143.10) to conduct random audits of dealer escrow and trust accounts and (in GS 143-143.13) to deny, suspend, or revoke dealer licenses for failing to comply with escrow and trust account provisions in new Part 2. Revises GS 143-143.21A as follows: bars dealer from commencing set-up procedures until after expiration of three-day right to cancel period; requires dealer to return payment toward purchase price within seven (was, fifteen) business days of receipt of notice of cancellation; gives buyer additional three-day cancellation period with each new set of financing terms (was, financing terms that are less favorable to buyer); and deletes current provision on deposits.

Creates new Part 2 of GS Chapter 143, Article 9A, entitled "Buyer Deposit, Escrow or Trust Accounts," containing following provisions. Requires dealers to maintain buyers' deposits in escrow or trust account with bank and establishes basic requirements for these accounts (in new GS 143-143.50), restrictions on use of account funds (in new GS 143-143.51), and record-keeping, accounting, and audit procedures (in new GS 143-143.52 through 143-143.54).

Part 1, except the changes to GS 143-143.21A, becomes effective April 1, 2006, and Part 2 and the changes to GS 143-143.21A become effective July 1, 2006. Appointment of new members to the Board becomes effective October 1, 2005.

August 12, 2005

H 630. MANUFACTURED HOMES ESCROW ACCOUNTS. Intro. 3/15/05. Senate amendment makes the following changes to 4th edition. Deletes provision prohibiting dealer from commencing set-up procedures until after expiration of three-day right to cancel period. Deletes provision that would have given buyer a new three day cancellation period when buyer receives a new set of financing terms that are more favorable to the buyer. Makes additional technical and conforming changes.

October 5, 2005

SL 2005-451 (H 630). MANUFACTURED HOMES ESCROW ACCOUNTS. *AN ACT TO REQUIRE MANUFACTURED HOME DEALERS TO ESTABLISH AND MAINTAIN ESCROW OR TRUST ACCOUNTS FOR BUYER DEPOSITS; TO CLARIFY THE CONTRACT NEGOTIATION PROCESS; AND TO CHANGE THE MEMBERSHIP OF THE NORTH CAROLINA MANUFACTURED HOUSING BOARD.* Summarized in *Daily Bulletin* 3/15/05, 5/4/05, 5/11/05, 8/11/05, and 8/12/05. Enacted September 29, 2005. Sections 4 and 6 are effective July 1, 2006. The remainder is effective April 1, 2006.