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NCIRG
Legislative Update
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SB 671 and SB 628- Sales Tax Clarification and Define Permanent Foundation

These Bills clarifies that sales tax should not be charged on installation labor on manufactured homes regardless if its real property improvement or personal property. It also clarifies that a permanent foundation is defined by the interpretation of the NC Department of Insurance.

Status- Pending in Senate Finance Committee Expected to be heard week of May 15th-18th

SB 419- Land Use/ Planning and Zoning

This Bill makes a number changes to NC planning laws. NCMHA Staff met with the Bill sponsor to request that two amendments be made to the Bill: 1.) Definition of a modular home should read; Modular homes shall bear a seal or label issued by the NC Department of Insurance certifying that the home meets the standards of the North Carolina State Residential Building Code. and 2.)_Codifies the Court Ruling that age limits on MH are unlawful; A local government may not adopt or enforce zoning regulations or other provisions which exclude manufactured homes based on age of the home.

Status- Pending in Senate Judiciary Committee. If fav, re-ref to Finance. If fav, re-ref to State and Local Government. If fav, re-ref to Rules and Operations of the Senate

SB 522 and HB 685- MH Purchase Agreement Changes

Clarifies that the 3 day right of cancellation only applies to the initial deposit. The consumer may still cancel the transaction later, but some or all of the deposit may be at risk. This was the original intent of the law. It also deletes the financing terms from the required elements of the purchase agreement. Under the NC Safe Act and related federal laws, this information can only be provided by a licensed lender. The dealer is prohibited from quoting financing terms.

Status- Bill did not pass the crossover deadline and therefore ineligible this session.

HB 707- Lien Agent Clarification

It creates a duty for a subcontractor or supplier who files a Notice to Lien Agent for labor or materials supplied in connection with the construction of a one- or two-family dwelling to cancel the earlier filed notice within 15 days of being paid. This should help eliminate the need for lien waivers to be signed. It also raises the fee from \$25 to \$30.

Status- Passed the House 117-1, sent to Senate and referred to Rules and Operation Committee

HB 406- Repeal Orange County Impact Fee

This Bill repeals Orange County's ability to charge impact fees on permits.

Status- Passed the House 80-40, sent to Senate and referred to Rules and Operation Committee

HB 436- Local Government/Regulatory Fees

Originally the legislation would have repealed all impact fees previously authorized by local acts in North Carolina. However, the bill was successfully amended in the House Finance Committee to freeze current impact fees for one year and direct the Legislative Research Commission to study the issue.

Status- Passed the House 100-19, sent to Senate and referred to Rules and Operation Committee