



3521 SW 5th Street, Topeka, Kansas 66606 * 785-357-5256

To: Representative Nick Hoheisel, Chairman
and Members of the House Financial Institutions and Pensions Committee

FROM: Martha Smith, Executive Director

DATE: March 11, 2024

RE: HB 2812 - Modifying certain terms, definitions, deadlines and provision in the uniform consumer credit code to the Kansas mortgage business act

Neutral with concerns regarding personal property manufactured home loans

Chairman Hoheisel and Members of the House Financial Institutions and Pensions Committee, my name is Martha Smith and I am the Executive Director of the Kansas Manufactured Housing Association (KMHA). KMHA is a statewide trade association representing all facets of the manufactured and modular housing industries (manufacturers, retail centers, manufactured home community owners and operators, service and supplier companies, finance and insurance companies and transport companies) and I appreciate the opportunity to voice the manufactured housing Industry's concerns about the changes to the personal property manufactured home loans.

The association's concerns pertain only to the stricken language governing consumer credit sales on page 43, lines 19-21; Consumer loan language stricken on page 56, lines 22-36 and continued on page 57. These statutes govern loans which are used to purchase a manufactured home which are most commonly located in manufactured home communities (mobile home parks). Personal property manufactured home loans are not mortgages, the collateral for the loan is the manufactured home and the lien is noted on the title.

The association's concern is that without the clarity that the current statutes provide, there could be unintended consequences for personal property manufactured home lending in the future.

KMHA is disappointed that we were not consulted about this change, however, we do not feel it was intentional. The association will of course work with Kansas Office of State Bank Commissioner to provide clarity for personal property manufactured home lending and to have it in place when the new statute goes into effect.

Again, thank you for the opportunity to express our concerns.