

## **RECOVERY FUND**

### **HOW FUNDED:**

- A. Dealer or seller of a manufactured home or mobile home designed for residential use must deposit into the Fund a fee not to exceed \$30 for each unit sold.
- B. If the balance in the Fund is less than \$200,000, the dealer/seller must pay a fee not to exceed \$50 into the Fund. When the balance of the Fund exceeds \$400,000, the extra fee is not imposed.
- C. An amount not to exceed 75% of the previous fiscal year's interest earned on the Fund, approved by the Board of Manufactured Housing may be used for consumer education in connection with the Manufactured Housing Industry.

### **HOW USED:**

- A. Any damages to the purchased home as a result of an act or omission by the licensed dealer/broker, consumer may file a claim for payment from the Fund. This claim goes through the Office of Administration.
- B. If the seller of the purchased home fails to perform a sales agreement or to perform repairs under warranty, the consumer may file a claim through the Office of Administration.

### **HOW AWARDED:**

- A. When claims are verified, the deputy director provides for a hearing before the Administrative Law Judge. Whatever sum the ALJ finds payable is paid from the Fund. In addition, an order suspending the license of the seller is filed. This license shall

remain on suspension until the seller has repaid in full, plus interest at the rate of 10% per year the amount paid from the Fund.

1, If the balance in the Fund is insufficient at the time of a claim, the Board of Manufactured Housing must satisfy the unpaid claim when there is a sufficient balance.

2. The consumer may not apply for money from the Fund later than two years from date of sale or date of installation, whichever is later.

#### **FALSE CLAIMS:**

A. Any seller/broker or his agent who knowingly files a claim which is false or contains any misstatement of fact is guilty of a class 2 misdemeanor.