

1.1 moves to amend H.F. No. as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. Minnesota Statutes 2012, section 327B.04, subdivision 4, is amended to
1.4 read:

1.5 Subd. 4. **License prerequisites.** No application shall be granted nor license issued
1.6 until the applicant proves to the commissioner that:

1.7 (a) the applicant has a permanent, established place of business at each licensed
1.8 location. An "established place of business" means a permanent enclosed building other
1.9 than a residence, or a commercial office space, either owned by the applicant or leased by
1.10 the applicant for a term of at least one year, located in an area where zoning regulations
1.11 allow commercial activity, and where the books, records and files necessary to conduct
1.12 the business are kept and maintained. The owner of a licensed manufactured home park
1.13 who resides in or adjacent to the park may use the residence as the established place of
1.14 business required by this subdivision, unless prohibited by local zoning ordinance.

1.15 If a license is granted, the licensee may use unimproved lots and premises for sale,
1.16 storage, and display of manufactured homes, if the licensee first notifies the commissioner
1.17 in writing;

1.18 (b) if the applicant desires to sell, solicit or advertise the sale of new manufactured
1.19 homes, it has a bona fide contract or franchise in effect with a manufacturer or distributor
1.20 of the new manufactured home it proposes to deal in;

1.21 (c) the applicant has secured: (1) a surety bond in the amount of \$20,000 for each
1.22 agency and each subagency location that bears the applicant's name and the name under
1.23 which the applicant will be licensed and do business in this state. Each bond is for the
1.24 protection of consumer customers, and must be executed by the applicant as principal and
1.25 issued by a surety company admitted to do business in this state. Each bond shall be
1.26 exclusively for the purpose of reimbursing consumer customers and shall be conditioned
1.27 upon the faithful compliance by the applicant with all of the laws and rules of this state

2.1 pertaining to the applicant's business as a dealer or manufacturer, including sections
2.2 325D.44, 325F.67 and 325F.69, and upon the applicant's faithful performance of all its
2.3 legal obligations to consumer customers; and (2) a certificate of liability insurance in
2.4 the amount of \$1,000,000 that provides aggregate coverage for the agency and each
2.5 subagency location. In the event of a policy cancellation, the insurer shall send written
2.6 notice to the commissioner at the same time that a cancellation request is received from
2.7 or a notice is sent to the insured;

2.8 (d) the applicant has established a trust account as required by section 327B.08,
2.9 subdivision 3, unless the applicant states in writing its intention to limit its business to
2.10 selling, offering for sale, soliciting or advertising the sale of new manufactured homes; and

2.11 (e) the applicant has provided evidence of having had at least two years' prior
2.12 experience in the sale of manufactured homes, working for a licensed dealer. The
2.13 applicant does not have to satisfy the two year prior experience requirement if:

2.14 (1) the applicant sells or brokers used manufactured homes as permitted under
2.15 section 327B.01, subdivision 7; or

2.16 (2) the applicant:

2.17 (i) has met all other licensing requirements;

2.18 (ii) is the owner of a manufactured home park; and

2.19 (iii) is selling new manufactured homes installed in the manufactured home park
2.20 that the applicant owns."