



STATE SENATOR  
EDDIE LUCIO, JR.  
DISTRICT 27



Austin Capitol Office  
P.O. Box 12068  
Austin, TX 78711  
(512) 463-0127

7 North Park Plaza  
Brownsville, TX 78521  
(956) 548-0227

500 S. Kansas  
Weslaco, TX 78596  
(956) 968-9927

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## **Lucio Bill to Help Victims of "Park Girl"** **Passes Out of Senate Committee**

**AUSTIN** - Today, the Texas Senate Committee on Business and Commerce unanimously passed a bill by Senator Eddie Lucio, Jr. (D-Brownsville) which would streamline the process by which consumers with unpaid legal claims against a licensed manufacturing home retailer can become eligible to access a state fund established to reimburse these consumers. The bill will ensure that any civil trial — whether before a jury or only before a judge — can determine a consumers' damages, instead of making consumers wait for a time-consuming and expensive independent determination to be conducted. This bill will provide relief to the numerous victims of "Park Girl" Jo Leigh Ares, many of whom had their damages recognized by a judge, but have not yet been reimbursed.

Texas law currently provides a limited remedy to consumers who have legal claims against some sellers of manufactured homes. The Texas Department of Housing and Community Affairs' [Manufactured Housing Division](#) operates a [Manufactured Homeowners Recovery Trust Fund](#), which reimburses consumers for actual damages when a licensed manufactured home retailer is unable to or refuses to pay a consumer's damages. This relief is limited to reasonable costs and expenses up to \$35,000.

Before reimbursements may be paid out of the Fund, manufacturing housing home owners must first file a consumer complaint and then the Manufacturing Division will conduct an investigation to substantiate the home owner's claims and damages.

The total amount of money available to reimburse claimants through the Trust Fund is very limited. The Manufacturing Division allocates \$300,000 every fiscal year to the Fund for eligible claims subject to the availability of funds. The Fund has already paid out \$10,000 this fiscal year and has another \$70,000 pending validation claims.

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As an alternative to their own investigation, the Manufacturing Division may approve reimbursements by relying upon a verdict from a contested *jury* trial. However, the law does not currently allow the Division to rely upon a verdict from a "bench trial," that is, a trial heard only by a judge, *not a jury*.

This feature of the law — favoring jury trials over bench trials — may prevent as many as 80 "Park Girl" victims from recovering money out of the Fund. According to testimony heard Tuesday, many of these consumers brought claims against Jo Leigh Ares in bench trials in either state court or federal bankruptcy court.

"There is no reason for another state agency to undertake an inefficient and expensive inquiry into the exact same facts just because a consumer's claims were heard by a judge and not by a jury. That's not good government." Senator Lucio said. "Without access to these funds, many victims of deceptive trade practices or violations of manufacturing housing laws would have no way to recoup their losses."

[Senate Bill 499](#), passed by Sen. Lucio today removes the requirement that the Manufacturing Division rely only upon a verdict from a jury trial. The bill streamlines the recovery process and eliminates inefficiencies by recognizing that a trial before a judge results in a verdict that is just as valid as a jury verdict.

Senate Bill 499 was unanimously recommended by the Senate Committee on Business and Commerce for passage by the entire Texas Senate. It will now need to be considered by the full Senate before passage to the Texas House of Representatives for consideration and ultimate passage.

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