SUBSTITUTE HOUSE BILL 1502

State of Washington 62nd Legislature 2011 Regular Session

By House Community Development & Housing (originally sponsored by Representatives Ormsby, Kenney, Smith, Moeller, Sells, Condotta, Ryu, Billig, and Roberts)

READ FIRST TIME 02/17/11.

AN ACT Relating to clarifying the manufactured housing and mobile home program functions and account; amending RCW 59.22.010, 59.22.050, 43.22A.100, 46.17.150, 59.20.300, 59.22.020, and 59.21.050; reenacting and amending RCW 43.15.020; creating a new section; and repealing RCW 59.22.070 and 59.22.090.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 **Sec. 1.** RCW 59.22.010 and 1995 c 399 s 154 are each amended to 8 read as follows:

9 (1) The legislature finds:

10 (a) That manufactured housing and mobile home parks provide a 11 source of low-cost housing to the low income, elderly, poor and infirmed, without which they could not afford private housing; but 12 13 rising costs of mobile home park development and operation, as well as turnover in ownership, has resulted in mobile home park living becoming 14 15 unaffordable to the low income, elderly, poor and infirmed, resulting 16 in increased numbers of homeless persons, and persons who must look to public housing and public programs, increasing the burden on the state 17 18 to meet the housing needs of its residents;

1 (b) That state government can play a vital role in addressing the 2 problems confronted by mobile home park residents by providing 3 assistance which makes it possible for mobile home park residents to 4 acquire the mobile home parks in which they reside and convert them to 5 resident ownership; and

6 (c) That to accomplish this purpose, information and technical 7 support shall be made available through the department <u>subject to the</u> 8 <u>availability of amounts appropriated for this specific purpose</u>.

9 (2) Therefore, it is the intent of the legislature, in order to 10 maintain low-cost housing in mobile home parks to benefit the low income, elderly, poor and infirmed, to encourage and facilitate the 11 12 conversion of mobile home parks to resident ownership, to protect low-13 income mobile home park residents from both physical and economic 14 displacement, to obtain a high level of private financing for mobile 15 home park conversions, and to help establish acceptance for resident-16 owned mobile home parks in the private market.

17 **Sec. 2.** RCW 59.22.050 and 2008 c 116 s 6 are each amended to read 18 as follows:

order 19 (((1)))In to provide general assistance to 20 ((manufactured/mobile home)) resident organizations, qualified tenant 21 organizations, ((manufactured/mobile home community or park owners, and 22 landlords)) and tenants, the department shall establish an office of 23 ((manufactured housing)) mobile/manufactured home relocation assistance. This office ((will)) shall: 24

(1) Subject to the availability of amounts appropriated for this specific purpose, provide, either directly or through contracted services, technical assistance to qualified tenant organizations as defined in RCW 59.20.030 and resident organizations or persons in the process of forming a resident organization pursuant to <u>this</u> chapter ((59.22 RCW)). The office will keep records of its activities in this area.

32 (2) ((The office shall)) <u>A</u>dminister the mobile home relocation 33 assistance program established in chapter 59.21 RCW, including 34 verifying the eligibility of tenants for relocation assistance.

35 **Sec. 3.** RCW 43.22A.100 and 1994 c 284 s 23 are each amended to 36 read as follows:

The manufactured home installation training account is created in 1 2 the state treasury. All receipts collected under this chapter and RCW 3 46.17.150 and any legislative appropriations for manufactured home 4 installation training shall be deposited into the account. Moneys in 5 the account may only be spent after appropriation. Expenditures from the account may only be used for the purposes of this chapter. б 7 Unexpended and unencumbered moneys that remain in the account at the 8 end of the fiscal year do not revert to the state general fund but 9 remain in the account, separately accounted for, as a contingency 10 reserve.

11 **Sec. 4.** RCW 46.17.150 and 2010 c 161 s 510 are each amended to 12 read as follows:

Before accepting an application for a transfer of certificate of 13 title for a new or used manufactured home as required in this title and 14 chapter 65.20 RCW, the department, county auditor or other agent, or 15 16 subagent appointed by the director shall require the applicant to pay 17 a fifteen dollar fee in addition to any other fees and taxes required The fifteen dollar fee must be forwarded to the state 18 by law. treasurer, who shall deposit the fee in the manufactured ((housing)) 19 20 home installation training account created in RCW ((59.22.070)) 21 43.22A.100.

22 Sec. 5. RCW 59.20.300 and 2008 c 116 s 4 are each amended to read 23 as follows:

(1) A landlord must provide a written notice of sale of a
manufactured/mobile home community by certified mail or personal
delivery to:

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(a) Each tenant of the manufactured/mobile home community;

(b) The officers of any known qualified tenant organization;

29 (c) The office of ((manufactured housing)) mobile/manufactured home 30 relocation assistance;

31 (d) The local government within whose jurisdiction all or part of 32 the manufactured/mobile home community exists;

(e) The housing authority within whose jurisdiction all or part ofthe manufactured/mobile home community exists; and

35 (f) The Washington state housing finance commission.

36 (2) A notice of sale must include:

(a) A statement that the landlord intends to sell the
manufactured/mobile home community; and

3 (b) The contact information of the landlord or landlord's agent who 4 is responsible for communicating with the qualified tenant organization 5 or eligible organization regarding the sale of the property.

6 **Sec. 6.** RCW 59.22.020 and 2010 c 161 s 1150 are each amended to 7 read as follows:

8 The following definitions shall apply throughout this chapter 9 unless the context clearly requires otherwise:

10 (1) (("Account" means the manufactured housing account created 11 under RCW 59.22.070.

12 (2)) "Affordable" means that, where feasible, low-income residents 13 should not pay more than thirty percent of their monthly income for 14 housing costs.

15 (((3))) (2) "Conversion costs" includes the cost of acquiring the 16 mobile home park, the costs of planning and processing the conversion, 17 the costs of any needed repairs or rehabilitation, and any expenditures 18 required by a government agency or lender for the project.

((++))) (3) "Department" means the department of commerce.

20 (((5) "Fee" means the mobile home title transfer fee imposed under 21 RCW 46.17.150.

22 (6))) (4) "Fund" or "park purchase account" means the mobile home 23 park purchase account created pursuant to RCW 59.22.030.

24 (((7))) (5) "Housing costs" means the total cost of owning, 25 occupying, and maintaining a mobile home and a lot or space in a mobile 26 home park.

(((8))) <u>(6)</u> "Individual interest in a mobile home park" means any interest which is fee ownership or a lesser interest which entitles the holder to occupy a lot or space in a mobile home park for a period of not less than either fifteen years or the life of the holder. Individual interests in a mobile home park include, but are not limited to, the following:

33 (a) Ownership of a lot or space in a mobile home park or 34 subdivision;

35 (b) A membership or shares in a stock cooperative, or a limited 36 equity housing cooperative; or

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(c) Membership in a nonprofit mutual benefit corporation which
owns, operates, or owns and operates the mobile home park.

3 (((9))) <u>(7)</u> "Landlord" shall have the same meaning as it does in 4 RCW 59.20.030.

(((10))) <u>(8)</u> "Low-income resident" means an individual or household 5 who resided in the mobile home park prior to application for a loan 6 7 pursuant to this chapter and with an annual income at or below eighty 8 percent of the median income for the county of standard metropolitan 9 statistical area of residence. Net worth shall be considered in the 10 calculation of income with the exception of the resident's 11 mobile/manufactured home which is used as their primary residence.

12 (((11))) <u>(9)</u> "Low-income spaces" means those spaces in a mobile 13 home park operated by a resident organization which are occupied by 14 low-income residents.

15 (((12))) (10) "Manufactured housing" means residences constructed 16 on one or more chassis for transportation, and which bear an insignia 17 issued by a state or federal regulatory agency indication compliance 18 with all applicable construction standards of the United States 19 department of housing and urban development.

20 $\left(\left(\frac{13}{13}\right)\right) (\underline{11})$ "Mobile home" shall have the same meaning as it does 21 in RCW $\left(\left(\frac{46.04.302}{13}\right)\right) \underline{43.22.335}$.

22 ((((14)))) (12) "Mobile home lot" shall have the same meaning as it 23 does in RCW 59.20.030.

(((15))) <u>(13)</u> "Mobile home park" means a mobile home park, as defined in RCW 59.20.030(10), or a manufactured home park subdivision as defined by RCW 59.20.030(12) created by the conversion to resident ownership of a mobile home park.

28 ((((16))) (14) "Resident organization" means a group of mobile home 29 park residents who have formed a nonprofit corporation, cooperative 30 corporation, or other entity or organization for the purpose of acquiring the mobile home park in which they reside and converting the 31 32 mobile home park to resident ownership. The membership of a resident organization shall include at least two-thirds of the households 33 residing in the mobile home park at the time of application for 34 35 assistance from the department.

36 (((17))) <u>(15)</u> "Resident ownership" means, depending on the context, 37 either the ownership, by a resident organization, as defined in this 38 section, of an interest in a mobile home park which entitles the

1 resident organization to control the operations of the mobile home park 2 for a term of no less than fifteen years, or the ownership of 3 individual interests in a mobile home park, or both.

4 (((18))) <u>(16)</u> "Tenant" means a person who rents a mobile home lot 5 for a term of one month or longer and owns the mobile home on the lot.

6 **Sec. 7.** RCW 59.21.050 and 2010 c 161 s 1149 are each amended to 7 read as follows:

8 (1) The existence of the mobile home park relocation fund in the 9 custody of the state treasurer is affirmed. Expenditures from the fund 10 may be used only for relocation assistance awarded under this chapter. 11 Only the director or the director's designee may authorize expenditures 12 from the fund. All relocation payments to tenants shall be made from 13 the fund. The fund is subject to allotment procedures under chapter 14 43.88 RCW, but no appropriation is required for expenditures.

15 (2) A park tenant is eligible for assistance under this chapter 16 only after an application is submitted by that tenant or an 17 organization acting on the tenant's account under RCW 59.21.021(4) on 18 a form approved by the director which shall include:

(a) For those persons who maintained ownership of and relocated 19 20 their homes or removed their homes from the park: (i) A copy of the 21 notice from the park-owner, or other adequate proof, that the tenancy 22 is terminated due to closure of the park or its conversion to another 23 use; (ii) a copy of the rental agreement then in force, or other proof that the applicant was a tenant at the time of notice of closure; (iii) 24 25 a copy of the contract for relocating the home which includes the date 26 of relocation, or other proof of actual relocation expenses incurred on 27 a date certain; and (iv) a statement of any other available assistance;

(b) For those persons who sold their homes and incurred no 28 29 relocation expenses: (i) A copy of the notice from the park-owner, or other adequate proof, that the tenancy is terminated due to closure of 30 31 the park or its conversion to another use; (ii) a copy of the rental agreement then in force, or other proof that the applicant was a tenant 32 at the time of notice of closure; and (iii) a copy of the record of 33 34 title transfer issued by the department of licensing when the tenant 35 sold the home rather than relocate it due to park closure or 36 conversion.

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(3) The department may deduct a percentage amount of the fee
collected under RCW 46.17.155((, not to exceed five percent of the fees
received,)) for administration expenses incurred by the department.

NEW SECTION. Sec. 8. Any residual balance of funds remaining in 4 5 the manufactured housing account must be transferred to the б manufactured home installation training account created in RCW 7 43.22A.100. The treasurer shall make the transfer after being notified by the office of financial management that it has completed the 8 9 financial statement for fiscal year 2011, and no later than December 10 31, 2011.

Sec. 9. RCW 43.15.020 and 2010 1st sp.s. c 7 s 136 and 2010 c 271 s 704 are each reenacted and amended to read as follows:

13 The lieutenant governor serves as president of the senate and is 14 responsible for making appointments to, and serving on, the committees 15 and boards as set forth in this section.

16 (1) The lieutenant governor serves on the following boards and 17 committees:

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(a) Capitol furnishings preservation committee, RCW 27.48.040;

19 (b) Washington higher education facilities authority, RCW 20 28B.07.030;

(c) Productivity board, also known as the employee involvement and recognition board, RCW 41.60.015;

23 (d) State finance committee, RCW 43.33.010;

24 (e) State capitol committee, RCW 43.34.010;

25 (f) Washington health care facilities authority, RCW 70.37.030;

26 (g) State medal of merit nominating committee, RCW 1.40.020;

27 (h) Medal of valor committee, RCW 1.60.020; and

28 (i) Association of Washington generals, RCW 43.15.030.

(2) The lieutenant governor, and when serving as president of the
senate, appoints members to the following boards and committees:

- 31 (a) Civil legal aid oversight committee, RCW 2.53.010;
- 32 (b) Office of public defense advisory committee, RCW 2.70.030;

33 (c) Washington state gambling commission, RCW 9.46.040;

34 (d) Sentencing guidelines commission, RCW 9.94A.860;

35 (e) State building code council, RCW 19.27.070;

1 (f) Financial education public-private partnership, RCW 2 28A.300.450; (g) Joint administrative rules review committee, RCW 34.05.610; 3 4 (h) Capital projects advisory review board, RCW 39.10.220; (i) Select committee on pension policy, RCW 41.04.276; 5 (j) Legislative ethics board, RCW 42.52.310; 6 7 (k) Washington citizens' commission on salaries, RCW 43.03.305; 8 (1) Legislative oral history committee, RCW 44.04.325; (m) State council on aging, RCW 43.20A.685; 9 (n) State investment board, RCW 43.33A.020; 10 (o) Capitol campus design advisory committee, RCW 43.34.080; 11 (p) Washington state arts commission, RCW 43.46.015; 12 13 (q) Information services board, RCW 43.105.032; (r) Council for children and families, RCW 43.121.020; 14 (s) PNWER-Net working subgroup under chapter 43.147 RCW; 15 (t) Community economic revitalization board, RCW 43.160.030; 16 17 (u) Washington economic development finance authority, RCW 43.163.020; 18 (v) Life sciences discovery fund authority, RCW 43.350.020; 19 (w) Legislative children's oversight committee, RCW 44.04.220; 20 21 (x) Joint legislative audit and review committee, RCW 44.28.010; 22 (y) Joint committee on energy supply and energy conservation, RCW 23 44.39.015; 24 (z) Legislative evaluation and accountability program committee, RCW 44.48.010; 25 26 (aa) Agency council on coordinated transportation, RCW 47.06B.020; 27 (bb) ((Manufactured housing task force, RCW 59.22.090; (cc))) Washington horse racing commission, RCW 67.16.014; 28 29 (((dd))) <u>(cc)</u> Correctional industries board of directors, RCW 30 72.09.080; 31 (((ee))) <u>(dd)</u> Joint committee on veterans' and military affairs, RCW 73.04.150; 32 (((ff))) (ee) Joint legislative committee on water supply during 33 34 drought, RCW 90.86.020; 35 (((gg))) (ff) Statute law committee, RCW 1.08.001; and 36 (((hh))) (qq) Joint legislative oversight committee on trade 37 policy, RCW 44.55.020.

1 <u>NEW SECTION.</u> Sec. 10. The following acts or parts of acts are 2 each repealed:

3 (1) RCW 59.22.070 (Manufactured housing account) and 2007 c 432 s 4 10, 1995 c 399 s 156, 1989 c 201 s 8, & 1988 c 280 s 5; and

5 (2) RCW 59.22.090 (Manufactured housing task force--Duties--6 Membership) and 1998 c 245 s 105 & 1991 c 327 s 4.

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