

SENATE BILL REPORT

ESHB 1604

As Reported By Senate Committee On:
Financial Institutions & Housing, March 30, 1995

Title: An act relating to the purchase of mobile home parks by qualified tenant organizations.

Brief Description: Purchasing mobile home parks.

Sponsors: House Committee on Trade & Economic Development (originally sponsored by Representatives Johnson and Sheldon).

Brief History:

Committee Activity: Financial Institutions & Housing: 3/28/95, 3/30/95 [DPA].

SENATE COMMITTEE ON FINANCIAL INSTITUTIONS & HOUSING

Majority Report: Do pass as amended.

Signed by Senators Prentice, Chair; Fraser, Vice Chair; Hale, Sellar, Smith and Sutherland.

Staff: Traci Ratzliff (786-7454)

Background: A qualified tenant organization, consisting of 60 percent of the tenants in a mobile home park, is given the option to purchase the mobile home park should it become available for sale. The tenant organization must present a fully executed purchase and sale agreement to the park owner within 30 days of an offer to purchase the park by a third party. The offer must be as favorable to the park owner as the original agreement. If these conditions are met, the park owner must sell the mobile home park to the qualified tenant organization.

Mobile home landlords may not terminate or refuse to renew a tenant's lease without cause. A list of specific reasons that a mobile home park owner can use to terminate the lease of a mobile home tenant include repeated failure to comply with the rental agreement or late payment of rent. Disputes that involve violations of park rules are subject to mediation.

Summary of Amended Bill: A qualified tenant organization must give written notice of its intent to purchase the mobile home park to the park owner before any execution of sale documents to a third party. The tenant notice must be signed by owners of mobile homes located on at least 60 percent of the occupied lots in the park.

A mobile home park owner is required to immediately notify park tenants regarding the potential sale of the mobile home park if the park owner engages a real estate agent, attorney or other person in a contractual agreement or discussion regarding the sale of the park, or if the park owner places an ad to sell the park in a newspaper, newsletter, magazine or other media.

The time period that a qualified tenant organization has to match a third party purchase offer for a mobile home park is changed from 30 days to 90 days.

The Office of Mobile Home Affairs at the Department of Community, Trade, and Economic Development may provide information to tenants in mobile home parks regarding the legal right of tenants to purchase a park should it come up for sale.

Proposed changes to the Mobile Home Landlord Tenant Act are deleted.

Amended Bill Compared to Substitute Bill: Several provisions related to a mobile home park owner's responsibilities and a tenant organization's rights under park purchase statutes, are added to current law.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This bill clarifies the original intent of the legislation passed in 1993 related to the purchase of a mobile home park by a tenant organization.

Testimony Against: The provisions of this bill that make changes to the Mobile Home Landlord Tenant Act are injurious to the tenants and are not agreed-to provisions of this bill.

Testified: Representative Johnson, original prime sponsor (pro); John Woodring, Joel Erlitz, Manufactured Housing Communities of Washington (pro); Nikki Phillips-Baker, Marianne Gilbert, Manufactured Home Owners of American (con on original bill); Myken Ryherd, Low-Income Housing Congress (con on original bill).