SENATE BILL REPORT HB 1247

As Reported By Senate Committee On: Financial Institutions, Housing & Consumer Protection, March 29, 2005

Title: An act relating to charging manufactured housing communities for water and sewer connections.

Brief Description: Charging manufactured housing communities for water and sewer connections.

Sponsors: Representatives Morris and Schindler.

Brief History: Passed House: 3/08/05, 98-0.

Committee Activity: Financial Institutions, Housing & Consumer Protection: 3/24/05,

3/29/05 [DPA].

SENATE COMMITTEE ON FINANCIAL INSTITUTIONS, HOUSING & CONSUMER PROTECTION

Majority Report: Do pass as amended.

Signed by Senators Fairley, Chair; Berkey, Vice Chair; Brandland, Delvin, Franklin, Keiser, Prentice, Schmidt and Spanel.

Staff: Jennifer Arnold (786-7471)

Background: Water and sewer system providers have full authority to manage, regulate, and control the rates and charges associated with service and facilities, as well as the power to levy charges for connection to the system.

In servicing manufactured housing communities, water and sewer lines are provided up to the community property line, at which one tap-in connection with a meter is installed, enabling the community to access water and sewer services. The property owner pays "connection charges" to the system provider based upon the size of the water line, which is dependent on the number of units in the community. For example, a single family residential water line may measure three-quarters to one inch, whereas an apartment complex or a manufactured housing community water line may measure two inches.

System providers monitor the entire housing community's water usage by periodic meter readings. Based on these readings, the property owner is billed and is responsible for payment. Generally, property owners collect payment from the community residents by either building the estimated water/sewer cost into pad rental charges or by dividing the total invoice amount among the homeowners and then billing each home separately.

In at least one instance, a system provider billed a manufactured home community property owner for multiple fees based on the number of units in the community, rather than the actual number of tap-in connections and meters provided and maintained.

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Summary of Amended Bill: Cities and counties that provide water and sewer connections are only permitted to charge tap or connection charges for individual lots within a manufactured housing community if specified connections to those individual lots are provided or maintained.

Amended Bill Compared to Original Bill: The amended bill only applies to cities and counties providing water/sewer services, not water/sewer districts.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

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

Testimony For: In cases where only one master meter is provided and serviced, a manufactured housing community does not want to be charged on the basis of individual lots, since no connection is installed or maintained on those individual lots. Some residents are currently being charged a connection when they move into a community and a disconnection fee when they move out, even though no individual connection is ever actually provided to that unit.

Testimony Against: None.

Other: There were concerns, as this bill was being developed, that it might conflict with other proposed legislation relating to manufactured housing communities. Further, if this has only occurred in isolated instances, it may not be an issue that requires a change in the law.

Who Testified: PRO: Representative Morris, Prime Sponsor; Ken Spencer, Manufactured Housing Communities of Washington. OTHER: Doug Levy, Cities of Kent and Puyallup.

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