

ESHB 1640 - S COMM AMD

By Committee on Financial Institutions, Housing & Consumer
Protection

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** (1) The legislature finds that there are
4 factors unique to the relationship between a manufactured/mobile
5 homeowner and a manufactured/mobile home park owner. Once occupancy
6 has commenced, the difficulty and expense in moving and relocating a
7 manufactured/mobile home can affect the operation of market forces, and
8 lead to an inequality of the bargaining position of the parties. Once
9 occupancy has commenced, a homeowner may be subject to violations of
10 the manufactured/mobile home landlord-tenant act or unfair practices
11 without a timely and cost-effective conflict resolution process.
12 Although a homeowner, landlord, or park owner may take legal action as
13 prescribed in the manufactured/mobile home landlord-tenant act, the
14 judicial process is often time and cost prohibitive. This act is
15 created for the purpose of protecting the public, fostering fair and
16 honest competition, and regulating the factors unique to the
17 relationship between the manufactured/mobile homeowner and park owner.

18 (2) The legislature finds that taking legal action against a park
19 owner for violations of the manufactured/mobile home landlord-tenant
20 act can be a costly and lengthy process, and that many people cannot
21 afford to pursue a court process to vindicate statutory rights. Park
22 owners similarly are impacted by legal fees and lengthy proceedings
23 resulting from pursuing a remedy through the legal system and would
24 also, therefore, benefit from having access to an appropriate,
25 effective process that resolves disputes quickly and efficiently.

26 (3) Therefore, it is the intent of the legislature to provide a
27 less costly and more efficient way for manufactured/mobile homeowners
28 and park owners to resolve disputes, and to provide a mechanism for
29 state authorities to quickly locate owners of manufactured housing

1 communities. The legislature further intends to authorize the
2 department of community, trade, and economic development to:

3 (a) Register mobile home parks or manufactured housing communities
4 and report upon data to the appropriate committees of the legislature
5 by December 31, 2005;

6 (b) Expand its current ombudsman program by hiring or contracting
7 with additional persons to conduct a greater number of investigations
8 of alleged violations of the manufactured/mobile home landlord-tenant
9 act; and

10 (c) Collect and report upon data related to conflicts and
11 violations to the appropriate committees of the legislature by December
12 31, 2005.

13 (4) If after receiving the reports under subsection (3) of this
14 section, the legislature finds that the provisions of this act
15 authorizing the department to register mobile/manufactured home
16 communities, investigate complaints, clarify existing law, and work to
17 resolve disputes in good faith voluntarily prove insufficient to
18 adequately protect the rights and responsibilities of mobile home park
19 tenants and owners, it is the intent of the legislature to find other
20 methods for resolution in the future.

21 NEW SECTION. **Sec. 2.** The definitions in this section apply
22 throughout this act unless the context requires otherwise.

23 (1) "Department" means the department of community, trade, and
24 economic development.

25 (2) "Director" means the director of the department of community,
26 trade, and economic development.

27 (3) "Mobile home park" or "manufactured housing community" means
28 any real property that is rented or held out for rent to others for the
29 placement of two or more mobile homes, manufactured homes, or park
30 models for the primary purpose of production of income, except when the
31 real property is rented or held out for rent for seasonal recreational
32 purposes only and is not intended for year-round occupancy.

33 (4) "Landlord" or "park owner" means the owner of a mobile home
34 park or a manufactured housing community and includes the agents of the
35 landlord.

36 (5) "Tenant" or "homeowner" means any person, except a transient,
37 who rents or occupies a mobile home lot.

1 (6) "Owner" means one or more persons, jointly or severally, in
2 whom is vested:

- 3 (a) All or part of the legal title to the real property; or
- 4 (b) All or part of the beneficial ownership, and a right to present
5 use and enjoyment of the real property.

6 (7) "Unfair practice" means any act that would constitute an unfair
7 or deceptive act or practice under chapter 19.86 RCW.

8 (8) "Complainant" means a landlord, park owner, tenant, or
9 homeowner, who has a complaint alleging an unfair practice or violation
10 of chapter 59.20 RCW.

11 (9) "Respondent" means a landlord, park owner, tenant, or
12 homeowner, alleged to have committed an unfair practice or violation of
13 chapter 59.20 RCW.

14 NEW SECTION. **Sec. 3.** (1) A complainant shall have the right to
15 file a complaint with the department alleging an unfair practice or a
16 violation of chapter 59.20 RCW.

17 (2) The complainant must provide written notice to the respondent
18 prior to notifying the department of an alleged violation of chapter
19 59.20 RCW or unfair practice. If the complaint is not remedied within
20 the time frame provided by RCW 59.20.080 for tenant violations or
21 59.20.200 for landlord violations, the complainant may then file a
22 complaint with the department.

23 (3) The department may:

24 (a) Investigate the alleged violations at its discretion upon
25 receipt of a complaint alleging unfair practices or violations of
26 chapter 59.20 RCW;

27 (b) Utilize investigative ombudsman staff or contractors to
28 investigate and evaluate complaints alleging unfair practices or
29 violations of chapter 59.20 RCW;

30 (c) Discuss the issues surrounding or relating to the complaint
31 with the complainant, respondent, or any witnesses, either individually
32 or jointly;

33 (d) Explain options available to the complainant or respondent,
34 including the involvement of other agencies; and

35 (e) Negotiate an agreement that is agreed upon by both the
36 complainant and the respondent.

1 (4) The department may require or permit any person to file a
2 complaint or statement in writing or otherwise as the department
3 determines, as to the facts and circumstances concerning a matter to be
4 investigated.

5 (5) The department has the power to employ investigative,
6 administrative, and clerical staff as necessary for administration of
7 this act.

8 (6)(a) Complainants and respondents shall cooperate with the
9 department in the course of an investigation by:

10 (i) Furnishing any papers or documents requested;

11 (ii) Furnishing in writing an explanation covering the matter
12 contained in a complaint when requested by the department; and

13 (iii) Allowing authorized access to department representatives for
14 inspection of mobile home parks/manufactured housing community
15 facilities relevant to the alleged violation being investigated.

16 (b) Failure to cooperate with the department in the course of an
17 investigation is a violation of this act.

18 (7) After the department has completed its investigation and other
19 duties, the department shall compile a written report documenting the
20 process and resolution of the complaint investigation. Under no
21 circumstances shall the department make or issue any finding,
22 conclusion, decision, or ruling on whether there was a violation of
23 chapter 59.20 or 19.86 RCW.

24 (8) By December 31, 2005, the department shall submit a summary
25 report of its activities under this act during the period after the
26 effective date of this act, through December 31, 2005, to the house of
27 representatives housing committee and the senate committee on financial
28 institutions, housing and consumer protection, including:

29 (a) The number of complaints received;

30 (b) The nature and extent of the complaints received;

31 (c) The actions taken on each complaint by the department;

32 (d) Recommendations on what further changes in law are necessary to
33 resolve disputes;

34 (e) Recommendations on changes to the department's ombudsman and
35 investigative programs;

36 (f) Recommendations on resources necessary to retain or improve the
37 program; and

1 (g) Recommendations on whether a formal mobile/manufactured home
2 landlord-tenant act enforcement and administrative hearing process
3 should be adopted and how such a process should be structured.

4 (9) The department shall ensure that notice of the ombudsman
5 complaint resolution program is given to each mobile/manufactured home
6 landlord or park owner and each mobile home unit owner or tenant. The
7 landlord shall post an easily visible notice in all common areas of
8 mobile/manufactured home communities, including in each clubhouse,
9 summarizing mobile home park tenant rights and responsibilities, in a
10 style and format to be determined by the department, and including a
11 toll-free telephone number that mobile home park owners and tenants can
12 use to seek additional information and communicate complaints.

13 (10) This section is not exclusive and does not limit the right of
14 landlords or tenants to take legal action against another party as
15 provided in chapter 59.20 RCW or otherwise. Exhaustion of this
16 ombudsman remedy process is not required before bringing legal action.
17 This act is not subject to chapter 34.05 RCW. This section does not
18 apply to unlawful detainer actions initiated under chapters 59.20,
19 59.12, and 59.18 RCW; however, a tenant is not precluded from seeking
20 relief under this act if the complaint claims the notice of termination
21 violates RCW 59.20.080. Filing a complaint with the department is not
22 a defense nor shall it in any way delay or otherwise affect an unlawful
23 detainer action. Department-written reports documenting the process
24 and resolution of the complaint investigation, any written explanation
25 covering the matter requested by the department, any other documents or
26 papers requested or produced by the department, or any other record of
27 the complaint may be admissible only for purposes of impeachment in any
28 unlawful detainer or other administrative or legal action in regard to
29 chapter 59.20 RCW.

30 NEW SECTION. **Sec. 4.** The director or individuals acting on the
31 director's behalf are immune from suit in any action, civil or
32 criminal, based upon any disciplinary actions or other official acts
33 performed in the course of their duties under this act, except their
34 intentional or willful misconduct.

35 NEW SECTION. **Sec. 5.** (1) All mobile home parks and manufactured
36 housing communities must be registered with the department.

1 (2) To apply for registration, the owner of a mobile home park or
2 manufactured housing community must file with the department an
3 application for registration on a form prescribed by the department.
4 The application must include, but is not limited to:

5 (a) The name and address of the owner of the mobile home park or
6 manufactured housing community;

7 (b) The name and address of the mobile home park or manufactured
8 housing community;

9 (c) The name and address of the manager of the mobile home park or
10 manufactured housing community; and

11 (d) The number of lots within the mobile home park or manufactured
12 housing community that are subject to chapter 59.20 RCW.

13 (3) Certificates of registration are effective on the date issued
14 by the department.

15 NEW SECTION. **Sec. 6.** The department must:

16 (1) Compile the most accurate list possible of all the mobile home
17 parks or manufactured housing communities in the state, the number of
18 lots subject to chapter 59.20 RCW located in each mobile home park or
19 manufactured housing community, and the names and addresses of the
20 owners of these parks. The department shall present this list to the
21 house of representatives housing committee and the senate committee on
22 financial institutions, housing and consumer protection by December 31,
23 2005. The department is encouraged to work with groups including, but
24 not limited to: The office of community development, mobile
25 homeowners' associations, tenant advocacy groups, park owners'
26 associations, and county assessors to generate the list;

27 (2) Send out notifications to all known mobile home park owners or
28 manufactured housing community owners regarding the due date of the
29 assessment pursuant to section 7 of this act. These notifications must
30 include information about late fees and passing costs on to tenants;
31 and

32 (3) Collect the registration assessment due from all mobile home
33 park owners or manufactured housing community owners, and allow ninety
34 days to pass before sending notices of late fees to noncomplying owners
35 as provided in this act.

1 NEW SECTION. **Sec. 7.** (1) The owner of each mobile home park or
2 manufactured housing community shall pay to the department a
3 registration assessment of five dollars for each mobile home or
4 manufactured home that is subject to chapter 59.20 RCW within a park or
5 community to fund the costs associated with administering this act.
6 Manufactured housing community owners or mobile home park owners may
7 pass on no more than two dollars and fifty cents of this assessment to
8 tenants.

9 (2) If an owner fails to pay the assessment before the registration
10 expiration date, a late fee shall be assessed at the prevailing
11 interest rate for superior court civil judgments for each mobile home
12 or manufactured home that is subject to chapter 59.20 RCW. The owner
13 is not entitled to any reimbursement of this fee from the tenants.

14 NEW SECTION. **Sec. 8.** The manufactured/mobile home investigations
15 account is created in the custody of the state treasurer. All receipts
16 from assessments and fees collected under section 7 of this act must be
17 deposited into the account. Expenditures from the account may be used
18 only for the costs associated with administering this act. Only the
19 director or the director's designee may authorize expenditures from the
20 account. The account is subject to allotment procedures under chapter
21 43.88 RCW, but an appropriation is not required for expenditures.

22 **Sec. 9.** RCW 59.22.050 and 1991 c 327 s 3 are each amended to read
23 as follows:

24 (1) In order to provide general assistance to mobile home resident
25 organizations, park owners, and landlords and tenants, the department
26 shall establish an office of mobile home affairs which will serve as
27 the coordinating office within state government for matters relating to
28 mobile homes or manufactured housing.

29 This office will provide an ombudsman service to mobile home park
30 owners and mobile home tenants with respect to problems and disputes
31 between park owners and park residents and to provide technical
32 assistance to resident organizations or persons in the process of
33 forming a resident organization pursuant to chapter 59.22 RCW. The
34 office will keep records of its activities in this area.

35 (2) The office shall perform all the consumer complaint and related
36 functions of the state administrative agency that are required for

1 purposes of complying with this chapter and the regulations established
2 by the federal department of housing and urban development for
3 manufactured housing, including the preparation and submission of the
4 state administrative plan.

5 (3) The office shall administer the mobile/manufactured home
6 community registration program including the collection of assessments,
7 associated late fees, and the compilation of data related to the number
8 of communities and number of lots within the community that are subject
9 to chapter 59.20 RCW.

10 (4) The office shall administer the mobile home relocation
11 assistance program established in chapter 59.21 RCW, including
12 verifying the eligibility of tenants for relocation assistance.

13 NEW SECTION. Sec. 10. Any amount assessed under section 7(2) of
14 this act that remains uncollected on December 31, 2005, shall be
15 collected under the terms of section 7 of this act as it existed before
16 December 31, 2005.

17 NEW SECTION. Sec. 11. This act is necessary for the immediate
18 preservation of the public peace, health, or safety, or support of the
19 state government and its existing public institutions, and takes effect
20 immediately.

21 NEW SECTION. Sec. 12. Except for sections 10 and 13 of this act,
22 this act expires December 31, 2005.

23 NEW SECTION. Sec. 13. Beginning in January 2006, the state
24 treasurer shall transfer any funds remaining in the manufactured/mobile
25 home investigations account under section 8 of this act to the mobile
26 home affairs account under RCW 59.22.070 for the purposes under RCW
27 59.22.050. All funds collected by the department under section 10 of
28 this act shall be transferred to the state treasurer for deposit into
29 the mobile home affairs account."

ESHB 1640 - S COMM AMD

By Committee on Financial Institutions, Housing & Consumer
Protection

1 On page 1, line 2 of the title, after "disputes;" strike the
2 remainder of the title and insert "amending RCW 59.22.050; creating new
3 sections; providing an expiration date; and declaring an emergency."

EFFECT: Registration and late fees may continue to be collected
after the expiration of this act on December 21, 2005.

CTED is allowed access to relevant mobile home park and
manufactured housing community facilities for the purpose of
investigating alleged violations under this act. Additional technical
changes are made to remove inconsistent language.

--- END ---