S-4186.2			

SENATE BILL 6648

State of Washington

59th Legislature

2006 Regular Session

By Senator Fairley

Read first time 01/18/2006. Referred to Committee on Financial Institutions, Housing & Consumer Protection.

- 1 AN ACT Relating to manufactured/mobile homes; amending RCW
- 2 59.22.070, 59.20.090, 59.20.130, and 59.20.050; adding a new chapter to
- 3 Title 59 RCW; and declaring an emergency.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 NEW SECTION. Sec. 1. (1) The legislature finds that there are factors unique to the relationship between a manufactured/mobile home 6 7 owner and a manufactured/mobile home park owner. Once occupancy has 8 commenced, the difficulty and expense in moving and relocating a 9 manufactured/mobile home can affect the operation of market forces, and 10 lead to an inequality of the bargaining position of the parties. Once occupancy has commenced, a homeowner may be subject to violations of 11 the manufactured/mobile home landlord-tenant act or unfair practices 12 13 without a timely and cost-effective conflict resolution process. 14 Although a homeowner, landlord, or park owner may take legal action as 15 prescribed in the manufactured/mobile home landlord-tenant act, the judicial process is often time and cost prohibitive. This act is 16 created for the purpose of protecting the public, fostering fair and 17 honest competition, and regulating the factors unique to the 18 19 relationship between the manufactured/mobile home owner and park owner.

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

- (3) Therefore, it is the intent of the legislature to provide a less costly and more efficient way for manufactured/mobile home owners and park owners to resolve disputes, and to provide a mechanism for state authorities to quickly locate owners of manufactured housing communities. The legislature further intends to authorize the department of community, trade, and economic development to:
 - (a) Register mobile home parks or manufactured housing communities;
- (b) Maintain and update its current ombudsman program by retaining the necessary staffing level of hired or contracted persons used to operate and implement the program under chapter 429, Laws of 2005; and
- 19 (c) Collect and report upon data related to conflicts and 20 violations.
- NEW SECTION. Sec. 2. The definitions in this section apply throughout this chapter unless the context requires otherwise.
- 23 (1) "Department" means the department of community, trade, and 24 economic development.
 - (2) "Director" means the director of the department of community, trade, and economic development.
 - (3) "Mobile home park" or "manufactured housing community" means any real property that is rented or held out for rent to others for the placement of two or more mobile homes, manufactured homes, park models, or recreational vehicles for the primary purpose of production of income, except when the real property is rented or held out for rent for seasonal recreational purposes only and is not used for year-round occupancy.
- 34 (4) "Landlord" or "park owner" means the owner of a mobile home 35 park or a manufactured housing community and includes the agents of the 36 landlord.

(5) "Mobile home lot" means a portion of a mobile home park or manufactured housing community designated as the location of one mobile home, manufactured home, or park model and its accessory buildings, and intended for the exclusive use as a primary residence by the occupants of that mobile home, manufactured home, or park model.

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- 6 (6) "Tenant" or "homeowner" means any person, except a transient,
 7 who rents or occupies a mobile home lot.
- 8 (7) "Owner" means one or more persons, jointly or severally, in 9 whom is vested:
 - (a) All or part of the legal title to the real property; or
- 11 (b) All or part of the beneficial ownership, and a right to present 12 use and enjoyment of the real property.
- 13 (8) "Park model" means a recreational vehicle intended for 14 permanent or semipermanent installation and is used as a primary 15 residence.
- 16 (9) "Recreational vehicle" means a travel trailer, motor home, 17 truck camper, or camping trailer that is primarily used as a primary 18 residence located in a mobile home park or manufactured housing 19 community.
- 20 (10) "Unfair practice" means any act that would constitute an unfair or deceptive act or practice under chapter 19.86 RCW.
- 22 (11) "Complainant" means a landlord, park owner, tenant, or 23 homeowner, who has a complaint alleging an unfair practice or violation 24 of chapter 59.20 RCW.
- 25 (12) "Respondent" means a landlord, park owner, tenant, or 26 homeowner, alleged to have committed an unfair practice or violation of 27 chapter 59.20 RCW.
- NEW SECTION. **Sec. 3.** (1) A complainant has the right to file a complaint with the department alleging an unfair practice or a violation of chapter 59.20 RCW.
- 31 (2) Upon receiving a complaint under this chapter, the department 32 must:
- 33 (a) Inform the complainant of the time frame to remedy the 34 complaint under RCW 59.20.080 for tenant violations or RCW 59.20.200 35 for landlord violations; and
- 36 (b) Encourage the complainant to notify the respondent of the 37 complaint.

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1 (3) After receiving a complaint under this chapter, the department 2 may:

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- (a) Investigate the alleged violations at its discretion upon receipt of a complaint alleging unfair practices or violations of chapter 59.20 RCW;
- (b) Utilize investigative ombudsman staff or contractors to investigate and evaluate complaints alleging unfair practices or violations of chapter 59.20 RCW;
- 9 (c) Discuss the issues surrounding or relating to the complaint 10 with the complainant, respondent, or any witnesses, either individually 11 or jointly;
- 12 (d) Explain options available to the complainant or respondent, 13 including the involvement of other agencies; and
- 14 (e) Negotiate an agreement that is agreed upon by both the complainant and the respondent.
 - (4) The department may require or permit any person to file a complaint or statement in writing or otherwise as the department determines, as to the facts and circumstances concerning a matter to be investigated.
 - (5) The department has the power to employ investigative, administrative, and clerical staff as necessary for administration of this chapter.
- 23 (6)(a) Complainants and respondents shall cooperate with the 24 department in the course of an investigation by:
 - (i) Furnishing any papers or documents requested;
 - (ii) Furnishing in writing an explanation covering the matter contained in a complaint when requested by the department; and
 - (iii) Allowing authorized access to department representatives for inspection of mobile home parks/manufactured housing community facilities relevant to the alleged violation being investigated.
 - (b) Failure to cooperate with the department in the course of an investigation is a violation of this chapter.
 - (7) After the department has completed its investigation and other duties, the department shall provide the interested parties to the dispute with documentation of the complaint process and documentation on the resolution of the complaint investigation. The department may make or issue written findings, conclusions, decisions, or rulings on whether there was a violation of chapter 59.20 or 19.86 RCW.

(8) The department shall ensure that notice of the ombudsman complaint resolution program is given to each mobile/manufactured home landlord or park owner upon completed registration. The landlord shall visible notice in all post easily common areas mobile/manufactured home communities, including in each clubhouse, summarizing mobile home park tenant rights and responsibilities, in a style and format to be determined by the department, and including information on how to file a complaint with the office of manufactured housing and a toll-free telephone number that mobile home park owners and tenants can use to seek additional information and communicate complaints.

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- (9) This section is not exclusive and does not limit the right of landlords or tenants to take legal action against another party as provided in chapter 59.20 RCW or otherwise. Exhaustion of this ombudsman remedy process is not required before bringing legal action. This section does not apply to unlawful detainer actions initiated under chapters 59.20, 59.12, and 59.18 RCW; however, a tenant is not precluded from seeking relief under this chapter if the complaint claims the notice of termination violates RCW 59.20.080. complaint with the department is not a defense nor shall it in any way otherwise affect an unlawful detainer delay or Department-written reports documenting the process and resolution of the complaint investigation, any written explanation covering the matter requested by the department, any other documents or papers requested or produced by the department, or any other record of the complaint may be admissible only for purposes of impeachment in any unlawful detainer or other administrative or legal action in regard to chapter 59.20 RCW.
- NEW SECTION. Sec. 4. The director or individuals acting on the director's behalf are immune from suit in any action, civil or criminal, based upon any disciplinary actions or other official acts performed in the course of their duties under this chapter, except their intentional or willful misconduct.
- NEW SECTION. **sec. 5.** (1) All mobile home parks and manufactured housing communities must be registered with the department.

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- 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:
 - (a) The name and address of the owner of the mobile home park or manufactured housing community;
 - (b) The name and address of the mobile home park or manufactured housing community;
 - (c) The name and address of the manager of the mobile home park or 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.
 - (3) Registration is effective on the date determined by the department. All registrations must be assigned an expiration date by the department. The department must:
- 16 (a) Establish a process for the annual renewal of registrations; 17 and
- 18 (b) Mail annually a letter with the effective registration and 19 expiration date to each owner of a mobile home park or manufactured 20 housing community, who has been registered by the department.

21 <u>NEW SECTION.</u> **Sec. 6.** The department must:

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- (1) Compile, update, and maintain the most accurate list possible of all the mobile home parks or manufactured housing communities in the state, the number of lots subject to chapter 59.20 RCW located in each mobile home park or manufactured housing community, and the names and addresses of the owners of these parks. The department is encouraged to work with groups including, but not limited to: The office of community development, mobile homeowners' associations, tenant advocacy groups, park owners' associations, and county assessors to generate the list;
- (2) Send out notifications to all known mobile home park owners or manufactured housing community owners regarding the due date of the assessment under section 7 of this act. These notifications must include information about late fees and passing costs on to tenants; and
- 36 (3) Collect the registration assessment due from all mobile home

- 1 park owners or manufactured housing community owners, and allow ninety
- 2 days to pass before sending notices of late fees to noncomplying owners
- 3 as provided in this chapter.

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- 4 <u>NEW SECTION.</u> **Sec. 7.** (1) The owner of each mobile home park or manufactured housing community shall pay to the department 5 6 registration assessment of five dollars for each mobile home or manufactured home that is subject to chapter 59.20 RCW within a park or 7 8 community to fund the costs associated with administering this chapter. 9 Manufactured housing community owners or mobile home park owners may pass on no more than two dollars and fifty cents of this assessment to 10 11 tenants.
 - (2) If an owner fails to pay the assessment before the registration expiration date, a late fee shall be assessed, as provided in this subsection for each mobile home or manufactured home that is subject to chapter 59.20 RCW. The owner is not entitled to any reimbursement of this fee from the tenants.
 - (a) A late fee shall be assessed at fifty percent of the total amount due for registration, if the fee is received by the department more than thirty, but less than sixty days after the registration fee due date.
- 21 (b) A late fee shall be assessed at one hundred percent of the 22 total amount due for registration, if the fee is received by the 23 department more than sixty days late.
 - NEW SECTION. Sec. 8. (1) In order to provide general assistance to mobile home resident organizations, park owners, and landlords and tenants, the department shall establish an office of manufactured housing affairs which serves as the coordinating office within state government for matters relating to mobile homes or manufactured housing.
 - This office shall provide an ombudsman service to mobile home park owners and mobile home tenants with respect to problems and disputes between park owners and park residents and provide technical assistance to resident organizations or persons in the process of forming a resident organization under chapter 59.22 RCW. The office shall keep records of its activities in this area.

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(2) The office shall perform all the consumer complaint and related functions of the state administrative agency that are required for purposes of complying with this chapter and the regulations established by the federal department of housing and urban development for manufactured housing, including the preparation and submission of the state administrative plan.

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- (3) The office shall administer the mobile home relocation assistance program established in chapter 59.21 RCW, including verifying the eligibility of tenants for relocation assistance.
- NEW SECTION. Sec. 9. The office of manufactured housing shall administer the mobile/manufactured home community registration program including the collection of assessments, associated late fees, and the compilation of data related to the number of communities and number of lots within the community that are subject to chapter 59.20 RCW.
- 15 **Sec. 10.** RCW 59.22.070 and 1995 c 399 s 156 are each amended to read as follows:
- 17 <u>(1)</u> There is created in the custody of the state treasurer a 18 special account known as the ((mobile home affairs)) office of 19 manufactured housing account.
 - Disbursements from this special account shall be as follows:
- (((1))) <u>(a)</u> For the two-year period beginning July 1, 1988, forty thousand dollars, or so much thereof as may be necessary for costs incurred in registering landlords and collecting fees, and thereafter five thousand dollars per year for that purpose.
- $((\frac{(2)}{(2)}))$ (b) All remaining amounts shall be remitted to the department for the purpose of implementing RCW 59.22.050 ((and $\frac{59.22.060}{(20.000)})$).
 - (2) All funds collected by the department under section 7 of this act shall be transferred to the state treasurer for deposit into the office of manufactured housing account.
- 31 (3) Expenditures from the account may be used only for the costs
 32 associated with administering this chapter. Only the director or the
 33 director's designee may authorize expenditures from the account. The
 34 account is subject to allotment procedures under chapter 43.88 RCW, but
 35 an appropriation is not required for expenditures.

- Sec. 11. RCW 59.20.090 and 2003 c 7 s 3 are each amended to read as follows:
 - (1)(a) Unless otherwise agreed rental agreements shall be for a term of one year. Any rental agreement of whatever duration shall be automatically renewed for the term of the original rental agreement, unless a different specified term is agreed upon.
 - (b) If a different specified term is agreed upon:

- 8 <u>(i) It must be in writing in a document separate and distinct from</u>
 9 <u>the original rental agreement; and</u>
 - (ii) It must be signed by all parties to the rental agreement.
 - (2) A landlord seeking to increase the rent upon expiration of the term of a rental agreement of any duration shall notify the tenant in writing three months prior to the effective date of any increase in rent.
- 15 (3) A tenant shall notify the landlord in writing one month prior 16 to the expiration of a rental agreement of an intention not to renew.
 - (4)(a) The tenant may terminate the rental agreement upon thirty days written notice whenever a change in the location of the tenant's employment requires a change in his residence, and shall not be liable for rental following such termination unless after due diligence and reasonable effort the landlord is not able to rent the mobile home lot at a fair rental. If the landlord is not able to rent the lot, the tenant shall remain liable for the rental specified in the rental agreement until the lot is rented or the original term ends.
 - (b) Any tenant who is a member of the armed forces, including the national guard and armed forces reserves, or that tenant's spouse or dependent, may terminate a rental agreement with less than thirty days notice if the tenant receives reassignment or deployment orders which do not allow greater notice. The tenant shall provide notice of the reassignment or deployment order to the landlord no later than seven days after receipt.
- **Sec. 12.** RCW 59.20.130 and 1999 c 359 s 11 are each amended to 33 read as follows:
- It shall be the duty of the landlord to:
- 35 (1) Comply with codes, statutes, ordinances, and administrative 36 rules applicable to the mobile home park;

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(2) Maintain the common premises and prevent the accumulation of stagnant water and to prevent the detrimental effects of moving water when such condition is not the fault of the tenant;

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- (3) Keep any shared or common premises reasonably clean, sanitary, and safe from defects to reduce the hazards of fire or accident;
- (4) Keep all common premises of the mobile home park, and vacant mobile home lots, not in the possession of tenants, free of weeds or plant growth noxious and detrimental to the health of the tenants and free from potentially injurious or unsightly objects and condition;
- (5) Exterminate or make a reasonable effort to exterminate rodents, vermin, or other pests dangerous to the health and safety of the tenant whenever infestation exists on the common premises or whenever infestation occurs in the interior of a mobile home, manufactured home, or park model as a result of infestation existing on the common premises;
- (6) Maintain and protect all utilities provided to the mobile home, manufactured home, or park model in good working condition. Maintenance responsibility shall be determined at that point where the normal mobile home, manufactured home, or park model utilities "hook-ups" connect to those provided by the landlord or utility company;
- (7) Respect the privacy of the tenants and shall have no right of entry to a mobile home, manufactured home, or park model without the prior written consent of the occupant, except in case of emergency or when the occupant has abandoned the mobile home, manufactured home, or park model. Such consent may be revoked in writing by the occupant at any time. The ownership or management shall have a right of entry upon the land upon which a mobile home, manufactured home, or park model is situated for maintenance of utilities, to insure compliance with applicable codes, statutes, ordinances, administrative rules, and the rental agreement and the rules of the park, and protection of the mobile home park at any reasonable time or in an emergency, but not in a manner or at a time which would interfere with the occupant's quiet The ownership or management shall ((make a reasonable enjoyment. effort to)) notify the tenant of their intention of entry upon the land which a mobile home, manufactured home, ((or)) park model, or recreational vehicle is located prior to entry as provided in this subsection.

- (a) The landlord may not abuse the right of access or use it to 1 harass the tenant. Except in the case of emergency or if it is 2 impracticable to do so, the landlord shall give the tenant at least two 3 days' notice of his or her intent to enter and may enter only at 4 reasonable times. The tenant may not unreasonably withhold consent to 5 the landlord to enter the dwelling unit at a specified time when the 6 7 landlord has given at least one days' notice of intent to enter to exhibit the dwelling unit to prospective or actual purchasers or 8 9 tenants. A landlord may not unreasonably interfere with a tenant's enjoyment of the rented dwelling unit by excessively exhibiting the 10 dwelling unit. 11
- 12 <u>(b) The landlord has no other right of access except by court</u> 13 <u>order, arbitrator, or by consent of the tenant.</u>
- 14 <u>(c) This section does not abrogate or modify in any way any common</u>
 15 <u>law right or privilege</u>;
- 16 (8) Allow tenants freedom of choice in the purchase of goods and 17 services, and not unreasonably restrict access to the mobile home park 18 for such purposes;
- 19 (9) Maintain roads within the mobile home park in good condition; 20 ((and))

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- (10) Notify each tenant within five days after a petition has been filed by the landlord for a change in the zoning of the land where the mobile home park is located and make a description of the change available to the tenant:
- (11) Hold a meeting with tenants on any proposed changes to the rules of the park. Each tenant must be given written notice of date, time, location, and proposed changes two weeks prior to the meeting date. A landlord must also post an easily visible notice of the meeting two weeks prior to the meeting date in all common areas of mobile/manufactured home communities, including in each clubhouse. Tenants are entitled to provide both written and oral comment to the landlord on any proposed changes to the rules of the park at the meeting.
- A landlord shall not have a duty to repair a defective condition under this section, nor shall any defense or remedy be available to the tenant under this chapter, if the defective condition complained of was caused by the conduct of the tenant, the tenant's family, invitee, or

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- 1 other person acting under the tenant's control, or if a tenant
- 2 unreasonably fails to allow the landlord access to the property for
- 3 purposes of repair.

- **Sec. 13.** RCW 59.20.050 and 1999 c 359 s 4 are each amended to read 5 as follows:
 - (1) Except under this section, no landlord may offer a mobile home lot for rent to anyone without offering a written rental agreement for a term of one year or more. No landlord may offer to anyone any rental agreement for a term of one year or more for which the monthly rental is greater, or the terms of payment or other material conditions more burdensome to the tenant, than any month-to-month rental agreement also offered to such tenant or prospective tenant.
 - (2) Anyone who desires to occupy a mobile home lot for other than a term of one year or more may have the option to be on a month-to-month basis but must waive, in writing, the right to such one year or more term((\div PROVIDED, That)). However, annually, at any anniversary date of the tenancy the tenant may require that the landlord provide a written rental agreement for a term of one year. ((\underbrace{NO}))
 - (3) A landlord ((shall)) may not allow a mobile home, manufactured home, or park model to be moved into a mobile home park in this state until a written rental agreement has been signed by and is in the possession of the parties((: PROVIDED, That)). However, if the landlord allows the tenant to move a mobile home, manufactured home, or park model into a mobile home park without obtaining a written rental agreement for a term of one year or more, or a written waiver of the right to a one-year term or more, the term of the tenancy ((shall be)) is deemed to be for one year from the date of occupancy of the mobile home lot, unless a tenancy for less than a year is offered subject to the following conditions:
 - (a) A landlord may offer a partial-year lease to new tenants beginning a lease after the start of a new year for the remainder of the lease year; and
- 33 <u>(b) A landlord that offers a partial-year lease under this</u>
 34 <u>subsection must then offer a tenancy for a term of one year or more at</u>
 35 <u>the end of the initial partial-year lease, as otherwise provided in</u>
 36 <u>this section;</u>

1 $((\frac{(2)}{2}))$ (4) The requirements of subsection (1) of this section 2 $(\frac{(shall)}{2})$ do not apply if:

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- (a) The mobile home park or part thereof has been acquired or is under imminent threat of condemnation for a public works project, or
- 5 (b) An employer-employee relationship exists between a landlord and 6 tenant;
- 7 $((\frac{3}{3}))$ (5) The provisions of this section shall apply to any 8 tenancy upon expiration of the term of any oral or written rental 9 agreement governing such tenancy.
- NEW SECTION. Sec. 14. Sections 1 through 9 of this act constitute a new chapter in Title 59 RCW.
- NEW SECTION. Sec. 15. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

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