# CERTIFICATION OF ENROLLMENT

## SUBSTITUTE HOUSE BILL 2118

Chapter 432, Laws of 2007

(partial veto)

60th Legislature 2007 Regular Session

## MOBILE AND MANUFACTURED HOME INSTALLATION--RESPONSIBILITIES

EFFECTIVE DATE: 07/22/07

Passed by the House April 17, 2007 Yeas 95 Nays 2

## FRANK CHOPP

# Speaker of the House of Representatives

Passed by the Senate April 11, 2007 Yeas 42 Nays 3

## CERTIFICATE

I, Richard Nafziger, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 2118** as passed by the House of Representatives and the Senate on the dates hereon set forth.

## RICHARD NAFZIGER

#### BRAD OWEN

Chief Clerk

# President of the Senate

Approved May 11, 2007, 11:01 a.m., with the exception of section 14 which is vetoed.

FILED

May 11, 2007

CHRISTINE GREGOIRE

Secretary of State State of Washington

Governor of the State of Washington

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## SUBSTITUTE HOUSE BILL 2118

## AS AMENDED BY THE SENATE

Passed Legislature - 2007 Regular Session

# State of Washington 60th Legislature 2007 Regular Session

By House Committee on State Government & Tribal Affairs (originally sponsored by Representatives Conway, Wood and Ormsby)

READ FIRST TIME 2/28/07.

- AN ACT Relating to transferring responsibilities related to mobile 1 2 and manufactured home installation from the department of community, 3 trade, and economic development to the department of labor and industries; amending 43.63A.460, 43.63A.465, 43.63B.010, 4 RCW 43.63B.150, 43.63B.170, 43.22.431, 43.22.495, 46.70.136, 59.22.050, 5 59.22.070, and 43.63B.070; adding a new chapter to Title 43 RCW; 6 7 creating a new section; recodifying RCW 43.63B.005, 43.63B.010, 43.63B.020, 43.63B.030, 43.63B.035, 43.63B.040, 43.63B.050, 43.63B.060, 8 9 43.63B.070, 43.63B.080, 43.63B.090, 43.63B.100, 43.63B.110, 43.63B.120, 10 43.63B.130, 43.63B.140, 43.63B.150, 43.63B.160, 43.63B.170, 43.63B.800, 43.63B.900, 43.63B.901, 43.63A.460, 43.63A.465, 11 and 12 providing a contingent expiration date; and declaring an emergency.
- 13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 14 **Sec. 1.** RCW 43.63A.460 and 1993 c 280 s 76 are each amended to 15 read as follows:
- Beginning on July 1, ((<del>1991</del>)) <u>2007</u>, the department ((<del>of community,</del> trade, and economic development)) shall ((<del>be responsible for</del>
- $18 \quad \frac{performing}{perform}$  all the consumer complaint and related functions
- 19 of the state administrative agency that are required for purposes of

complying with 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.

The department ((of community, trade, and economic development)) may enter into state or local interagency agreements to coordinate site inspection activities with record monitoring and complaint handling. The interagency agreement may also provide for the reimbursement for cost of work that an agency performs. The department may include other related areas in any interagency agreements which are necessary for the efficient provision of services.

The department of ((labor and industries)) community, trade, and economic development shall transfer all records, files, books, and documents necessary for the department ((of community, trade, and economic development)) to assume these new functions.

The directors of community, trade, and economic development and ((the department)) of labor and industries shall immediately take such steps as are necessary to ensure that ((chapter 176, Laws of 1990)) this act is implemented on ((June 7, 1990)) July 1, 2007.

**Sec. 2.** RCW 43.63A.465 and 1995 c 399 s 74 are each amended to 20 read as follows:

The director ((of the department of community, trade, and economic development)) shall enforce manufactured housing safety and construction standards adopted by the secretary of housing and urban development under the national manufactured housing construction and safety standards act of 1974 (800 Stat. 700; 42 U.S.C. Secs. 5401-5426). Furthermore, the director may make agreements with the United States government, state agencies, or private inspection organizations to implement the development and enforcement of applicable provisions of this chapter and the national manufactured housing construction and safety standards act of 1974 (800 Stat. 700; 42 U.S.C. Secs. 5401-5426) regarding the state administrative agency program.

**Sec. 3.** RCW 43.63B.010 and 1998 c 124 s 6 are each amended to read 33 as follows:

34 Unless the context clearly requires otherwise, the definitions in 35 this section apply throughout this chapter.

- 1 (1) "Authorized representative" means an employee of a state 2 agency, city, or county acting on behalf of the department.
  - (2) "Certified manufactured home installer" means a person who is in the business of installing mobile or manufactured homes and who has been issued a certificate by the department as provided in this chapter.
  - (3) "Department" means the department of ((community, trade, and economic development)) labor and industries.
  - (4) "Director" means the director of ((community, trade, and economic development)) labor and industries.
  - (5) "Manufactured home" means a single-family dwelling built in accordance with the department of housing and urban development manufactured home construction and safety standards act, which is a national, preemptive building code.
  - (6) "Mobile or manufactured home installation" means all on-site work necessary for the installation of a manufactured home, including:
    - (a) Construction of the foundation system;
  - (b) Installation of the support piers and earthquake resistant bracing system;
    - (c) Required connection to foundation system and support piers;
    - (d) Skirting;

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- (e) Connections to the on-site water and sewer systems that are necessary for the normal operation of the home; and
  - (f) Extension of the pressure relief valve for the water heater.
  - (7) "Manufactured home standards" means the manufactured home construction and safety standards as promulgated by the United States department of housing and urban development (HUD).
  - (8) "Mobile home" means a factory-built dwelling built prior to June 15, 1976, to standards other than the HUD code, and acceptable under applicable state codes in effect at the time of construction or introduction of the home into the state. Mobile homes have not been built since introduction of the HUD manufactured home construction and safety standards act.
- (9) "Training course" means the education program administered by the department, or the education course administered by an approved educational provider, as a prerequisite to taking the examination for certification.

- 1 (10) "Approved educational provider" means an organization approved 2 by the department to provide education and training of manufactured 3 home installers and local inspectors.
- 4 **Sec. 4.** RCW 43.63B.150 and 1994 c 284 s 29 are each amended to read as follows:
- 6 ((All violations designated as an infraction shall be adjudicated 7 in accordance with the administrative procedure act, chapter 34.05 RCW.)) If a party desires to contest a notice of infraction and civil 8 penalty issued under this chapter, the party must file a notice of 9 10 appeal with the department within twenty days of the department mailing the notice of civil penalty. An administrative law judge of the office 11 12 of administrative hearings shall hear and determine the appeal. Appeal proceedings must be conducted under chapter 34.05 RCW. An appeal of 13 the administrative law judge's determination or order must be to the 14 superior court. The superior court's decision is subject only to 15 16 discretionary review under the rules of appellate procedure.
- 17 **Sec. 5.** RCW 43.63B.170 and 1994 c 284 s 31 are each amended to 18 read as follows:
- 19 (1) A person found to have committed an infraction under this 20 chapter shall be assessed a monetary penalty of one thousand dollars.
- 21 (2) The administrative law judge may waive, reduce, or suspend the 22 monetary penalty imposed for the infraction.
- (3) Monetary penalties collected under this chapter shall be ((remitted as provided in chapter 3.62 RCW)) deposited into the manufactured home installation training account created in RCW 43.63B.080 (as recodified by this act) for the purposes specified in this chapter.
- 28 **Sec. 6.** RCW 43.22.431 and 2001 c 335 s 3 are each amended to read 29 as follows:
- The director of the department of labor and industries may enforce manufactured home safety and construction standards adopted by the secretary of housing and urban development under the national manufactured home construction and safety standards act of 1974 (800 Stat. 700; 42 U.S.C. Secs. 5401-5426). Furthermore, the director may make agreements with the United States government and private

- inspection organizations to implement the development and enforcement 1
- 2 of applicable provisions of this chapter and the national manufactured
- home construction and safety standards act of 1974 (800 Stat. 700; 42 3
- U.S.C. Secs. 5401-5426). Any fees or contract moneys collected under 4
- these agreements shall be deposited into the manufactured home 5
- installation training account created in RCW 43.63B.080 (as recodified 6
- 7 by this act).

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- 8 Sec. 7. RCW 43.22.495 and 1995 c 399 s 69 are each amended to read 9 as follows:
- Beginning on July 1, ((1991)) 2007, the department ((of community,10 11 trade, and economic development)) of labor and industries shall ((be 12 responsible for performing)) perform all the consumer complaint and 13 related functions of the state administrative agency that are required for purposes of complying with the regulations established by the 14 15 federal department of housing and urban development for manufactured 16 housing, including the preparation and submission of the state 17 administrative plan.
  - The department ((of community, trade, and economic development)) of <u>labor and industries</u> may enter into state or local interagency agreements to coordinate site inspection activities with record monitoring and complaint handling. The interagency agreement may also provide for the reimbursement for cost of work that an agency performs. The department may include other related areas in any interagency agreements which are necessary for the efficient provision of services.
- The directors of the department of community, trade, and economic 26 development and the department of labor and industries 27 immediately take such steps as are necessary to ensure that ((chapter 176, Laws of 1990)) this act is implemented on ((June 7, 1990)) July 1, 28 29 2007.
- 30 Sec. 8. RCW 46.70.136 and 1994 c 284 s 12 are each amended to read as follows: 31
- 32 The department may mediate disputes that arise regarding any warranty required in chapter 46.70 RCW pertaining to the purchase or 33 34 installation of a manufactured home. The department may charge 35 reasonable fees for this service and shall deposit the moneys collected in accordance with RCW 43.63B.080 (as recodified by this act). 36

- Sec. 9. RCW 59.22.050 and 1991 c 327 s 3 are each amended to read as follows:
  - (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 mobile home affairs ((which will serve as the coordinating office within state government for matters relating to mobile homes or manufactured housing)).

This office will 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 to provide technical assistance to resident organizations or persons in the process of forming a resident organization pursuant to chapter 59.22 RCW. The office will keep records of its activities in this area.

- (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 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.
- 20 (3)) The office shall administer the mobile home relocation 21 assistance program established in chapter 59.21 RCW, including 22 verifying the eligibility of tenants for relocation assistance.
- 23 **Sec. 10.** RCW 59.22.070 and 1995 c 399 s 156 are each amended to read as follows:
- 25 There is created in the custody of the state treasurer a special 26 account known as the ((mobile home affairs)) manufactured housing 27 account.

Disbursements from this special account shall be as follows:

- (1) 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.
- (2) All remaining amounts shall be remitted to the department for the purpose of implementing RCW 59.22.050 ((and 59.22.060)), except those funds needed to implement the state administrative agency function and manufactured home installation training and certification

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- 1 program under chapter 43.-- RCW (as created in section 13 of this act),
- 2 <u>as well as all appropriated and nonappropriated funds related to</u>
- 3 department of labor and industries functions.

- **Sec. 11.** RCW 43.63B.070 and 1994 c 284 s 22 are each amended to read as follows:
  - (1) The department shall charge reasonable fees to cover the costs to administer the certification program which shall include but not be limited to the issuance, renewal, and reinstatement of all certificates, training courses, and examinations required under this chapter. All fees collected under this chapter shall be deposited in the manufactured home installation training account created in RCW 43.63B.080 and used only for the purposes specified in this chapter.
  - The fees shall be limited to covering the direct cost of issuing the certificates, administering the examinations, and administering and enforcing this chapter. The costs shall include only essential travel, per diem, and administrative support costs.
- 17 (2) For the purposes of implementing this act, until July 1, 2008,
  18 the department may increase fees for the certification program in
  19 excess of the fiscal growth factor under chapter 43.135 RCW.
- NEW SECTION. **Sec. 12.** (1) All powers, duties, and functions of the department of community, trade, and economic development pertaining to mobile and manufactured home installation are transferred to the department of labor and industries.
  - (2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the department of community, trade, and economic development pertaining to the powers, functions, and duties transferred shall be delivered to the custody of the department of labor and industries. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the department of community, trade, and economic development in carrying out the powers, functions, and duties transferred shall be made available to the department of labor and industries. All funds, credits, or other assets held in connection with the powers, functions, and duties transferred shall be assigned to the department of labor and industries.

- (b) Any appropriations made to the department of community, trade, and economic development for carrying out the powers, functions, and duties transferred shall, on the effective date of this section, be transferred and credited to the department of labor and industries.
- (c) Whenever any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.
- (3) All employees of the department of community, trade, and economic development engaged in performing the powers, functions, and duties transferred are transferred to the jurisdiction of the department of labor and industries. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to the department of labor and industries to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service.
- (4) All rules and all pending business before the department of community, trade, and economic development pertaining to the powers, functions, and duties transferred shall be continued and acted upon by the department of labor and industries. All existing contracts and obligations shall remain in full force and shall be performed by the department of labor and industries.
- (5) The transfer of the powers, duties, functions, and personnel of the department of community, trade, and economic development shall not affect the validity of any act performed before the effective date of this section.
- (6) If apportionments of budgeted funds are required because of the transfers directed by this section, the director of financial management shall certify the apportionments to the agencies affected, the state auditor, and the state treasurer. Each of these shall make the appropriate transfer and adjustments in funds and appropriation accounts and equipment records in accordance with the certification.
- (7) Nothing contained in this section may be construed to alter any existing collective bargaining unit or the provisions of any existing

- 1 collective bargaining agreement until the agreement has expired or
- 2 until the bargaining unit has been modified by action of the personnel
- 3 resources board as provided by law.
- 4 <u>NEW SECTION.</u> **Sec. 13.** The following sections are each recodified
- 5 as a new chapter in Title 43 RCW: RCW 43.63B.005, 43.63B.010,
- 6 43.63B.020, 43.63B.030, 43.63B.035, 43.63B.040, 43.63B.050, 43.63B.060,
- 7 43.63B.070, 43.63B.080, 43.63B.090, 43.63B.100, 43.63B.110, 43.63B.120,
- 8 43.63B.130, 43.63B.140, 43.63B.150, 43.63B.160, 43.63B.170, 43.63B.800,
- 9 43.63B.900, 43.63B.901, 43.63A.460, 43.63A.465, and 46.70.136.
- \*NEW SECTION. Sec. 14. This act is necessary for the immediate
- 11 preservation of the public peace, health, or safety, or support of the
- 12 state government and its existing public institutions, and takes effect
- 13 immediately.
  - \*Sec. 14 was vetoed. See message at end of chapter.
- 14 <u>NEW SECTION.</u> **Sec. 15.** Section 2 of this act expires if the
- 15 contingency in RCW 43.63A.490 occurs.
  - Passed by the House April 17, 2007.
  - Passed by the Senate April 11, 2007.
  - Approved by the Governor May 11, 2007, with the exception of certain items that were vetoed.
  - Filed in Office of Secretary of State May 11, 2007.
  - Note: Governor's explanation of partial veto is as follows:
  - "I am returning, without my approval as to Section 14, Substitute House Bill 2118 entitled:
  - "AN ACT Relating to transferring responsibilities related to mobile and manufactured home installation from the department of community, trade and economic development to the department of labor and industries."
  - This bill, which requires the transfer of certain responsibilities related to manufactured housing, does not need an emergency clause. Removing the emergency clause moves back the transfer date of the affected programs from July 1 to July 22. While this may create some inconvenience for the agencies in not aligning the program with the biennial budget, it does not result in an interruption of the services being provided since the Department of Community Trade and Economic Development will continue to administer the program until the transfer is complete. We believe that the desire to avoid potential inconvenience should not be treated as a public emergency warranting an emergency clause.
  - For these reasons, I have vetoed Section 14 of Substitute House Bill 2118.
  - With the exception of Section 14, Substitute House Bill 2118 is approved."