CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 1502

Chapter 158, Laws of 2011

62nd Legislature 2011 Regular Session

MOBILE/MANUFACTURED HOMES--RELOCATION ASSISTANCE--INSTALLATION-- REGULATION

EFFECTIVE DATE: 07/22/11

Passed by the House April 13, 2011 Yeas 96 Nays 0

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate March 30, 2011 Yeas 47 Nays 0

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 1502** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

Chief Clerk

BRAD OWEN

Approved April 22, 2011, 2:07 p.m.

President of the Senate

FILED

April 22, 2011

CHRISTINE GREGOIRE

Governor of the State of Washington

Secretary of State State of Washington

SUBSTITUTE HOUSE BILL 1502

AS AMENDED BY THE SENATE

Passed Legislature - 2011 Regular Session

State of Washington

62nd Legislature

2011 Regular Session

By House Community Development & Housing (originally sponsored by Representatives Ormsby, Kenney, Smith, Moeller, Sells, Condotta, Ryu, Billig, and Roberts)

READ FIRST TIME 02/17/11.

- 1 AN ACT Relating to manufactured housing and mobile homes; amending
- 2 RCW 59.22.010, 59.22.050, 43.22A.100, 46.17.150, 59.20.300, 59.22.020,
- 3 59.21.050, 35.63.161, 35A.63.146, and 36.70.493; reenacting and
- 4 amending RCW 43.15.020; creating a new section; and repealing RCW
- 5 59.22.070 and 59.22.090.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 7 **Sec. 1.** RCW 59.22.010 and 1995 c 399 s 154 are each amended to 8 read as follows:
- 9 (1) The legislature finds:
- 10 (a) That manufactured housing and mobile home parks provide a
- 11 source of low-cost housing to the low income, elderly, poor and
- 12 infirmed, without which they could not afford private housing; but
- 13 rising costs of mobile home park development and operation, as well as
- 14 turnover in ownership, has resulted in mobile home park living becoming
- 15 unaffordable to the low income, elderly, poor and infirmed, resulting
- in increased numbers of homeless persons, and persons who must look to
- 17 public housing and public programs, increasing the burden on the state
- 18 to meet the housing needs of its residents;

- (b) That state government can play a vital role in addressing the problems confronted by mobile home park residents by providing assistance which makes it possible for mobile home park residents to acquire the mobile home parks in which they reside and convert them to resident ownership; and
 - (c) That to accomplish this purpose, information and technical support shall be made available through the department <u>subject to the</u> availability of amounts appropriated for this specific purpose.
- (2) Therefore, it is the intent of the legislature, in order to maintain low-cost housing in mobile home parks to benefit the low income, elderly, poor and infirmed, to encourage and facilitate the conversion of mobile home parks to resident ownership, to protect low-income mobile home park residents from both physical and economic displacement, to obtain a high level of private financing for mobile home park conversions, and to help establish acceptance for resident-owned mobile home parks in the private market.
- **Sec. 2.** RCW 59.22.050 and 2008 c 116 s 6 are each amended to read 18 as follows:
 - ((\(\frac{(1)}{1}\))) In order to provide general assistance to ((\(\frac{manufactured/mobile home}{mobile home}\))) resident organizations, qualified tenant organizations, ((\(\frac{manufactured/mobile home community or park owners, and landlords\))) and tenants, the department shall establish an office of ((\(\frac{manufactured}{manufactured} \frac{home}{mobile/manufactured} \frac{home}{mome} \(\frac{relocation}{relocation}\) assistance. This office ((\(\frac{will}{n}\))) shall:
 - (1) Subject to the availability of amounts appropriated for this specific purpose, provide, either directly or through contracted services, technical assistance to qualified tenant organizations as defined in RCW 59.20.030 and resident organizations or persons in the process of forming a resident organization pursuant to this chapter ((59.22 RCW)). The office will keep records of its activities in this area.
- 32 (2) ((The-office-shall)) Administer the mobile home relocation 33 assistance program established in chapter 59.21 RCW, including 34 verifying the eligibility of tenants for relocation assistance.
- **Sec. 3.** RCW 43.22A.100 and 1994 c 284 s 23 are each amended to read as follows:

The manufactured home installation training account is created in 1 2 the state treasury. All receipts collected under this chapter and RCW 46.17.150 and any legislative appropriations for manufactured home 3 installation training shall be deposited into the account. Moneys in 4 5 the account may only be spent after appropriation. Expenditures from the account may only be used for the purposes of this chapter. 6 7 Unexpended and unencumbered moneys that remain in the account at the end of the fiscal year do not revert to the state general fund but 8 remain in the account, separately accounted for, as a contingency 9 10 reserve.

11 **Sec. 4.** RCW 46.17.150 and 2010 c 161 s 510 are each amended to 12 read as follows:

Before accepting an application for a transfer of certificate of title for a new or used manufactured home as required in this title and chapter 65.20 RCW, the department, county auditor or other agent, or subagent appointed by the director shall require the applicant to pay a fifteen dollar fee in addition to any other fees and taxes required by law. The fifteen dollar fee must be forwarded to the state treasurer, who shall deposit the fee in the manufactured ((housing)) home installation training account created in RCW ((59.22.070)) 43.22A.100.

- 22 **Sec. 5.** RCW 59.20.300 and 2008 c 116 s 4 are each amended to read as follows:
- (1) A landlord must provide a written notice of sale of a manufactured/mobile home community by certified mail or personal delivery to:
 - (a) Each tenant of the manufactured/mobile home community;
 - (b) The officers of any known qualified tenant organization;
- 29 (c) The office of ((manufactured housing)) mobile/manufactured home 30 relocation assistance;
- 31 (d) The local government within whose jurisdiction all or part of 32 the manufactured/mobile home community exists;
- 33 (e) The housing authority within whose jurisdiction all or part of 34 the manufactured/mobile home community exists; and

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- (f) The Washington state housing finance commission.
- (2) A notice of sale must include:

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- 1 (a) A statement that the landlord intends to sell the 2 manufactured/mobile home community; and
- 3 (b) The contact information of the landlord or landlord's agent who 4 is responsible for communicating with the qualified tenant organization 5 or eligible organization regarding the sale of the property.
- 6 **Sec. 6.** RCW 59.22.020 and 2010 c 161 s 1150 are each amended to read as follows:
- 8 The following definitions shall apply throughout this chapter 9 unless the context clearly requires otherwise:
- 10 (1) (("Account"-means-the-manufactured-housing-account-created under RCW 59.22.070.
- (2)) "Affordable" means that, where feasible, low-income residents should not pay more than thirty percent of their monthly income for housing costs.
- 15 (((3))) <u>(2)</u> "Conversion costs" includes the cost of acquiring the 16 mobile home park, the costs of planning and processing the conversion, 17 the costs of any needed repairs or rehabilitation, and any expenditures 18 required by a government agency or lender for the project.
- 19 $((\frac{4}{1}))$ (3) "Department" means the department of commerce.
- 20 (((5) "Fee" means the mobile home title transfer fee imposed under 21 RCW 46.17.150.
- (6)) (4) "Fund" or "park purchase account" means the mobile home park purchase account created pursuant to RCW 59.22.030.
- $((\frac{7}{}))$ (5) "Housing costs" means the total cost of owning, occupying, and maintaining a mobile home and a lot or space in a mobile home park.
 - (((8))) (6) "Individual interest in a mobile home park" means any interest which is fee ownership or a lesser interest which entitles the holder to occupy a lot or space in a mobile home park for a period of not less than either fifteen years or the life of the holder. Individual interests in a mobile home park include, but are not limited
- 32 to, the following:

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- 33 (a) Ownership of a lot or space in a mobile home park or 34 subdivision;
- 35 (b) A membership or shares in a stock cooperative, or a limited 36 equity housing cooperative; or

1 (c) Membership in a nonprofit mutual benefit corporation which 2 owns, operates, or owns and operates the mobile home park.

- $((\frac{9}{}))$ "Landlord" shall have the same meaning as it does in RCW 59.20.030.
 - ((\(\frac{(10)}{)}\)) (8) "Low-income resident" means an individual or household who resided in the mobile home park prior to application for a loan pursuant to this chapter and with an annual income at or below eighty percent of the median income for the county of standard metropolitan statistical area of residence. Net worth shall be considered in the calculation of income with the exception of the resident's mobile/manufactured home which is used as their primary residence.
- $((\frac{(11)}{(11)}))$ "Low-income spaces" means those spaces in a mobile home park operated by a resident organization which are occupied by low-income residents.
 - $((\frac{(12)}{(10)}))$ "Manufactured housing" means residences constructed on one or more chassis for transportation, and which bear an insignia issued by a state or federal regulatory agency indication compliance with all applicable construction standards of the United States department of housing and urban development.
- $((\frac{(13)}{(11)}))$ "Mobile home" shall have the same meaning as it does in RCW $((\frac{46.04.302}{(11)}))$ $\frac{43.22.335}{(11)}$.
- $((\frac{(14)}{(14)}))$ <u>(12)</u> "Mobile home lot" shall have the same meaning as it does in RCW 59.20.030.
 - $((\frac{(15)}{)})$ $\underline{(13)}$ "Mobile home park" means a mobile home park, as defined in RCW 59.20.030(10), or a manufactured home park subdivision as defined by RCW 59.20.030(12) created by the conversion to resident ownership of a mobile home park.
 - ((\(\frac{(16)}{)}\)) (14) "Resident organization" means a group of mobile home park residents who have formed a nonprofit corporation, cooperative corporation, or other entity or organization for the purpose of acquiring the mobile home park in which they reside and converting the mobile home park to resident ownership. The membership of a resident organization shall include at least two-thirds of the households residing in the mobile home park at the time of application for assistance from the department.
 - $((\frac{17}{17}))$ (15) "Resident ownership" means, depending on the context, either the ownership, by a resident organization, as defined in this section, of an interest in a mobile home park which entitles the

- resident organization to control the operations of the mobile home park for a term of no less than fifteen years, or the ownership of individual interests in a mobile home park, or both.
- (((18))) (16) "Tenant" means a person who rents a mobile home lot for a term of one month or longer and owns the mobile home on the lot.
- **Sec. 7.** RCW 59.21.050 and 2010 c 161 s 1149 are each amended to 7 read as follows:
 - (1) The existence of the mobile home park relocation fund in the custody of the state treasurer is affirmed. Expenditures from the fund may be used only for relocation assistance awarded under this chapter. Only the director or the director's designee may authorize expenditures from the fund. All relocation payments to tenants shall be made from the fund. The fund is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures.
 - (2) A park tenant is eligible for assistance under this chapter only after an application is submitted by that tenant or an organization acting on the tenant's account under RCW 59.21.021(4) on a form approved by the director which shall include:
 - (a) For those persons who maintained ownership of and relocated their homes or removed their homes from the park: (i) A copy of the notice from the park-owner, or other adequate proof, that the tenancy is terminated due to closure of the park or its conversion to another use; (ii) a copy of the rental agreement then in force, or other proof that the applicant was a tenant at the time of notice of closure; (iii) a copy of the contract for relocating the home which includes the date of relocation, or other proof of actual relocation expenses incurred on a date certain; and (iv) a statement of any other available assistance;
 - (b) For those persons who sold their homes and incurred no relocation expenses: (i) A copy of the notice from the park-owner, or other adequate proof, that the tenancy is terminated due to closure of the park or its conversion to another use; (ii) a copy of the rental agreement then in force, or other proof that the applicant was a tenant at the time of notice of closure; and (iii) a copy of the record of title transfer issued by the department of licensing when the tenant sold the home rather than relocate it due to park closure or conversion.

- 1 (3) The department may deduct a percentage amount of the fee 2 collected under RCW 46.17.155((, not to exceed five percent of the fees 3 received,)) for administration expenses incurred by the department.
- NEW SECTION. Sec. 8. Any residual balance of funds remaining in the manufactured housing account must be transferred to the manufactured home installation training account created in RCW 43.22A.100. The treasurer shall make the transfer after being notified by the office of financial management that it has completed the financial statement for fiscal year 2011, and no later than December 31, 2011.
- 11 **Sec. 9.** RCW 35.63.161 and 2004 c 210 s 1 are each amended to read 12 as follows:
- (1) After June 10, 2004, a city may designate a new manufactured housing community as a nonconforming use, but may not order the removal or phased elimination of an existing manufactured housing community because of its status as a nonconforming use.
- 17 (2) A city may not prohibit the entry or require the removal of a
 18 manufactured/mobile home, park model, or recreational vehicle
 19 authorized in a manufactured housing community under chapter 59.20 RCW
 20 on the basis of the community's status as a nonconforming use.
- 21 **Sec. 10.** RCW 35A.63.146 and 2004 c 210 s 2 are each amended to 22 read as follows:
- 23 (1) After June 10, 2004, a code city may designate a manufactured 24 housing community as a nonconforming use, but may not order the removal 25 or phased elimination of an existing manufactured housing community 26 because of its status as a nonconforming use.
- 27 (2) A code city may not prohibit the entry or require the removal
 28 of a manufactured/mobile home, park model, or recreational vehicle
 29 authorized in a manufactured housing community under chapter 59.20 RCW
 30 on the basis of the community's status as a nonconforming use.
- 31 **Sec. 11.** RCW 36.70.493 and 2004 c 210 s 3 are each amended to read 32 as follows:
- 33 (1) After June 10, 2004, a county may designate a manufactured

- 1 housing community as a nonconforming use, but may not order the removal
- 2 or phased elimination of an existing manufactured housing community
- 3 because of its status as a nonconforming use.
- 4 (2) A county may not prohibit the entry or require the removal of
- 5 <u>a manufactured/mobile home, park model, or recreational vehicle</u>
- 6 <u>authorized in a manufactured housing community under chapter 59.20 RCW</u>
- 7 on the basis of the community's status as a nonconforming use.
- 8 **Sec. 12.** RCW 43.15.020 and 2010 1st sp.s. c 7 s 136 and 2010 c 271 s 704 are each reenacted and amended to read as follows:
- The lieutenant governor serves as president of the senate and is responsible for making appointments to, and serving on, the committees and boards as set forth in this section.
- 13 (1) The lieutenant governor serves on the following boards and 14 committees:
 - (a) Capitol furnishings preservation committee, RCW 27.48.040;
- 16 (b) Washington higher education facilities authority, RCW 17 28B.07.030;
- 18 (c) Productivity board, also known as the employee involvement and recognition board, RCW 41.60.015;
 - (d) State finance committee, RCW 43.33.010;
- 21 (e) State capitol committee, RCW 43.34.010;
- 22 (f) Washington health care facilities authority, RCW 70.37.030;
- 23 (g) State medal of merit nominating committee, RCW 1.40.020;
- 24 (h) Medal of valor committee, RCW 1.60.020; and
- 25 (i) Association of Washington generals, RCW 43.15.030.
- 26 (2) The lieutenant governor, and when serving as president of the 27 senate, appoints members to the following boards and committees:
 - (a) Civil legal aid oversight committee, RCW 2.53.010;
- 29 (b) Office of public defense advisory committee, RCW 2.70.030;
- 30 (c) Washington state gambling commission, RCW 9.46.040;
- 31 (d) Sentencing quidelines commission, RCW 9.94A.860;
- 32 (e) State building code council, RCW 19.27.070;
- 33 (f) Financial education public-private partnership, RCW 28A.300.450;
- 35 (q) Joint administrative rules review committee, RCW 34.05.610;
- 36 (h) Capital projects advisory review board, RCW 39.10.220;
- 37 (i) Select committee on pension policy, RCW 41.04.276;

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- 1 (j) Legislative ethics board, RCW 42.52.310;
- 2 (k) Washington citizens' commission on salaries, RCW 43.03.305;
- 3 (1) Legislative oral history committee, RCW 44.04.325;
- 4 (m) State council on aging, RCW 43.20A.685;
- 5 (n) State investment board, RCW 43.33A.020;
- 6 (o) Capitol campus design advisory committee, RCW 43.34.080;
- 7 (p) Washington state arts commission, RCW 43.46.015;
- 8 (q) Information services board, RCW 43.105.032;
- 9 (r) Council for children and families, RCW 43.121.020;
- 10 (s) PNWER-Net working subgroup under chapter 43.147 RCW;
- 11 (t) Community economic revitalization board, RCW 43.160.030;
- 12 (u) Washington economic development finance authority, RCW
- 13 43.163.020;
- 14 (v) Life sciences discovery fund authority, RCW 43.350.020;
- 15 (w) Legislative children's oversight committee, RCW 44.04.220;
- 16 (x) Joint legislative audit and review committee, RCW 44.28.010;
- 17 (y) Joint committee on energy supply and energy conservation, RCW 18 44.39.015;
- 19 (z) Legislative evaluation and accountability program committee, 20 RCW 44.48.010;
- 21 (aa) Agency council on coordinated transportation, RCW 47.06B.020;
- 22 (bb) ((Manufactured housing task force, RCW 59.22.090;
- 23 (cc))) Washington horse racing commission, RCW 67.16.014;
- $((\frac{dd}{d}))$ (cc) Correctional industries board of directors, RCW 72.09.080;
- 26 $((\frac{\text{(ee)}}{\text{)}})$ (dd) Joint committee on veterans' and military affairs,
- 27 RCW 73.04.150;
- 28 $((\frac{ff}))$ (ee) Joint legislative committee on water supply during
- 29 drought, RCW 90.86.020;
- $((\frac{gg}))$ (ff) Statute law committee, RCW 1.08.001; and
- 31 $((\frac{hh}))$ <u>(gg)</u> Joint legislative oversight committee on trade
- 32 policy, RCW 44.55.020.
- 33 <u>NEW SECTION.</u> **Sec. 13.** The following acts or parts of acts are 34 each repealed:
- 35 (1) RCW 59.22.070 (Manufactured housing account) and 2007 c 432 s
- 36 10, 1995 c 399 s 156, 1989 c 201 s 8, & 1988 c 280 s 5; and

- 1 (2) RCW 59.22.090 (Manufactured housing task force--Duties--
- 2 Membership) and 1998 c 245 s 105 & 1991 c 327 s 4.

Passed by the House April 13, 2011. Passed by the Senate March 30, 2011. Approved by the Governor April 22, 2011. Filed in Office of Secretary of State April 22, 2011.