Z-0800.1

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**HOUSE BILL 2954**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**State of Washington 64th Legislature 2016 Regular Session**

**By** Representative Ryu; by request of Washington State Department of Commerce

AN ACT Relating to directing the department of commerce to study the sale and financing of manufactured homes and develop recommendations to improve consumer protections for manufactured homeowners and buyers; creating new sections; and providing an expiration date.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. **Sec.**  (1) The legislature finds that:

(a) Manufactured homes are a critical source of housing for the people of the state of Washington, and provide homeownership opportunities for persons that might otherwise be unable to afford a home, including seniors and low-income households;

(b) Manufactured homes are typically sold as personal property under retail installment contracts and similar financing agreements, in contrast to the sale of real property such as site-built homes, which are typically sold under financing contracts subject to the deed of trust act;

(c) Reporting over the past year has identified concerning sales, lending, and repossession practices in the manufactured housing industry within Washington state and nationwide; and

(d) Washington state provides greater consumer protections for purchasers of homes under the deed of trust act and other laws than for most purchasers of manufactured homes, including extended timelines to cure defaults, foreclosure mediation, and a prohibition against deficiency judgments for obligations secured by a deed of trust.

(2) Therefore, the legislature intends by this act to direct the department of commerce to study the sale and financing of manufactured homes and develop recommendations to improve consumer protections for manufactured homeowners and buyers.

NEW SECTION. **Sec.**  (1) Within existing resources, the department of commerce shall study the sale and financing of manufactured homes and develop a comparison of consumer protections provided to purchasers of manufactured homes under retail installment and similar contracts with those provided to purchasers of homes under the deed of trust act, chapter 61.24 RCW, and other applicable state and federal laws and rules.

(2) The department shall consult with a diverse group of stakeholders in conducting the study including, but not limited to: Representatives of manufactured home sellers and financing companies, manufactured home park owners, consumer protection advocates, and current and prospective manufactured homeowners.

(3) Topics to be studied must include, but not be limited to: Manufactured home sale and financing practices, the applicability of usury laws to manufactured home financing, disclosure requirements and practices, repossession practices, and the status of manufactured homes under state laws pertaining to real property.

(4) The department shall report its findings, including recommendations intended to improve consumer protections for manufactured homeowners and buyers, to the governor and appropriate committees of the legislature by January 1, 2017.

(5) This section expires June 30, 2017.

**--- END ---**