

# SENATE BILL REPORT

## SB 6444

---

As Reported By Senate Committee On:  
Financial Institutions & Housing, January 30, 1996

**Title:** An act relating to mobile home parks.

**Brief Description:** Assisting mobile home park residents.

**Sponsors:** Senators Fraser, Prentice, Schow, Goings, Franklin and McAuliffe.

**Brief History:**

**Committee Activity:** Financial Institutions & Housing: 1/25/96, 1/30/96 [DP-WM].

---

### SENATE COMMITTEE ON FINANCIAL INSTITUTIONS & HOUSING

**Majority Report:** Do pass and be referred to Committee on Ways & Means.  
Signed by Senators Prentice, Chair; Fraser, Vice Chair; Hale, Sellar and Smith.

**Staff:** Traci Ratzliff (786-7452)

**Background:** The Mobile Home Relocation Act re-enacted by the Legislature in 1995, provides relocation assistance to tenants of mobile home parks scheduled for closure or conversion to another use. The Department of Community, Trade, and Economic Development (DCTED) administers this program.

Over the years the Legislature has established various fees to provide a source of funding for this program. In 1989, the Legislature authorized an annual \$10 fee to be paid by mobile park homeowners that was deposited in the mobile home park relocation fund (MHPRF). In 1990, this fee was repealed and replaced with a \$50 fee on the transfer or elimination of a mobile home title. This fee expired on July 1, 1992. A \$5 fee on mobile home park owners for each occupied lot in a mobile home park was also established by the Legislature in 1991. This fee was never collected because a lawsuit was filed challenging its constitutionality. The State Supreme Court did, in fact, declare this fee unconstitutional in 1993. There is no current funding source for the Relocation Assistance Program. There is approximately \$915,250 in the MHPRF.

The mobile home park purchase fund (MHPPF) was created by the Legislature in 1987. Monies from this fund can be used to provide loans to tenant organizations interested in purchasing a mobile home park. Loans can be made to tenant or resident organizations in which a significant portion are low-income or infirm. Such entities must include two-thirds of the households residing in the mobile home park at the time of the request for assistance to purchase the park. Loans may also be made to low-income residents of mobile home parks converted or being converted to resident ownership. The maximum loan term is 30 years. DCTED is charged with administering this program. DCTED is authorized to provide technical assistance to residents desiring to purchase a mobile home park. The MHPPF has never been funded.

**Summary of Bill:** \$5 million is appropriated from the general fund to the mobile home park relocation fund. \$20 million is appropriated from the general fund to the mobile home park purchase fund to provide loans and technical assistance to residents interested in purchasing a mobile home park.

The Department of Community, Trade, and Economic Development is required to provide annual reports concerning the expenditures of funds from these accounts to the Senate Ways and Means Committee and the House Appropriations Committee.

\$40,000 is appropriated from the general fund to the Attorney General's office for the development and distribution of pamphlets that provide information on mobile home park tenant and park owner's rights, responsibilities and remedies under the Mobile Home Landlord-Tenant Act.

**Appropriation:** \$5 million is appropriated from the general fund to the mobile home park relocation fund; \$20 million dollars is appropriated from the general fund to the mobile home park purchase fund; \$40,000 is appropriated from the general fund to the Attorney General's office.

**Fiscal Note:** Requested on January 18, 1996.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** Providing funding for these two programs is crucial in the effort to assist tenants of mobile home parks that are facing possible relocation because a park is being sold or could potentially be sold.

**Testimony Against:** None.

**Testified:** Terri Ramsauer, Office of Manufactured Housing, Dept. of Community, Trade, and Economic Development; PRO: Arnold Livingstone, Senior Lobby; Doug Clark, mobile home owner; Ray Munson, Mobile Home Owners of America; Epaphroditas Elkahan, Low Income Housing Institute; Donna Regan, Candlewood Manor Homeowners Assn.; Theresa Boster, Manufactured Housing Communities.