

HOUSE BILL REPORT

SSB 5188

*As Reported By House Committee on:
Housing*

Title: An act relating to mobile home landlord-tenant relations.

Brief Description: Providing for tenant eviction and rental and storage costs for mobile home landlords.

Sponsor(s): Senate Committee on Commerce & Labor (originally sponsored by Senators Moore, Matson and Anderson).

Brief History:

Reported by House Committee on:
Housing, April 4, 1991, DPA.

**HOUSE COMMITTEE ON
HOUSING**

Majority Report: *Do pass as amended.* Signed by 8 members: Representatives Nelson, Chair; Franklin, Vice Chair; Mitchell, Ranking Minority Member; Winsley, Assistant Ranking Minority Member; Ballard; Leonard; Ogden; and Wineberry.

Staff: Bill Lynch (786-7092).

Background: When a mobile home is abandoned in a mobile home park, the park owner may charge the holder of a security interest in a mobile home reasonable rent for the period between abandonment and the time the secured party disposes of the mobile home as provided for under the Uniform Commercial Code. However, if there is no secured party involved, the eventual subsequent owner could remove the mobile home from the mobile home park without any liability for rent, except possible recovery under the landlord's lien.

When a mobile home in a mobile home park is damaged by a fire or other calamity which may give rise to an insurance claim, the mobile home owner might fail to apply the insurance proceeds to the repair or removal of the mobile home. The park owner might have the remedy of terminating the tenancy, but could be left with the financial burden of the repair or removal.

Washington is one of only two states with mobile home landlord-tenant acts that allow a landlord to terminate the tenancy without cause. The statutes also provide that a tenancy may be terminated for the following reasons: (1) substantial or repeated violations of park rules; (2) nonpayment of rent; (3) conviction of a crime which threatens the health, safety, or welfare of the other tenants; (4) failure to comply with state and local laws; (5) change in land use of the park; and (6) engaging in drug-related activity.

There is no express provision which allows a landlord to terminate a tenancy because the landlord relied upon a material misstatement of the tenant at the time the tenant applied for acceptance into the mobile home park. There is also some concern about what constitutes sufficient grounds for an eviction for drug-related activity.

There is no statutory authority for a park owner to remedy potentially hazardous conditions in the park and bill the tenant for the work done, when the condition was created by the tenant's noncompliance and the tenant fails to respond to requests to remedy the condition.

There is no statutory requirement for park rules to be uniformly applied to park tenants, and there is no minimum notice requirement for changes in park rules to go into effect. Tenants are not required under statute to obtain the permission of the park owner before any subletting or assignment of a mobile home tenancy.

Many of the duties or responsibilities of the park owner do not generate any penalties if they are violated. There are also no provisions which make it illegal for the park owner or the tenant to intentionally disrupt the utility services to the park.

Summary of Amended Bill: If a mobile home is abandoned, or a tenant is evicted from the mobile home, and the mobile home is not subject to a mortgage or other security interest held by a third party, the landlord may charge rent and other reasonable expenses to any person who eventually removes the mobile home from the mobile home park. The rent and expenses must be paid prior to removal.

The insurer must notify the mobile home park owner at the time they make payment to the mobile home owner for physical damage to the mobile home.

A mobile home landlord may no longer terminate a tenancy in a mobile home park without cause. The reasons for which a mobile home tenancy may be terminated include the making of

a material misstatement at the time of application, if the park owner discovers and acts upon the misstatement within one year of the time the resident began paying rent.

Evictions of park tenants because of drug-related activity is clarified. A criminal conviction is not necessary for an eviction for drug-related activity. If law enforcement officers notify the park owner that illegal drugs have been seized, then this constitutes sufficient grounds, but not the only grounds for an eviction. If drug-related activity is a basis for eviction, then the park owner may proceed directly to an unlawful detainer action.

At least 30 days written notice must be provided to the tenants in a mobile home park before any changes to the park rules can become effective unless the tenants consent. Rules can only be enforced against a tenant if: (1) their purpose is to promote the convenience, safety or welfare of the residents, protect and preserve the premises from abusive use, or make a fair distribution of services and facilities that are generally available to the tenants; (2) they are reasonably related to the purpose for which they are adopted; (3) they apply to all tenants in a fair manner; (4) they are not for the purpose of evading an obligation of the landlord; (5) they are not retaliatory or discriminatory in nature; and (6) they are sufficiently explicit so that the tenants know what they must do to comply with the rules.

If the tenant fails to comply with the duties specified in statute for tenants, and the noncompliance substantially affects the health and safety of the tenant or other tenants, or substantially increases the hazards of fire or accident, the tenant must comply within 15 days after being sent written notice by the landlord, or in the case of an emergency, as promptly as conditions require. If the tenant fails to comply within this time period, the landlord may enter the mobile home lot and cause the work to be completed. The landlord may submit an itemized bill of the actual and reasonable cost of repair to the tenant.

A tenant may not sublet or assign his or her tenancy in the mobile home park without the express written consent of the landlord, unless the rental agreement provides otherwise. The landlord must approve or disapprove of the subletting or assignment within five working days after receiving a written request from the tenant. The landlord must approve or disapprove of the subletting or assignment on the same basis that the landlord would approve or disapprove of a new tenant. The landlord may not unreasonably withhold consent.

A landlord must provide the tenants at least 24 hours notice in writing whenever possible before repairing a utility

service that will cause an interruption of the service. If a landlord intentionally causes the termination or interruption of any tenant's utility services, except when an interruption of a reasonable duration is required to make necessary repairs, then the tenant may: (1) require the restoration of the utility services; or (2) terminate the tenancy; and (3) seek damages for the actual damages sustained, and up to \$100 for each day or part of a day that the tenant is deprived of utility service.

It is unlawful for a tenant to intentionally cause the termination or interruption of utility services, except as resulting from the normal occupancy of the premises. A tenant is liable for any actual damages sustained, and up to \$100 for each day or part of a day that utility services are unavailable.

Penalties added to the Mobile Home Landlord-Tenant Act are as follows: (1) if a landlord includes prohibited provisions within a rental agreement with knowledge, then the tenant may recover the greater of actual damages or \$100; (2) if a landlord violates the right of entry after receiving written notice from the tenant about a violation of this right, then the tenant may recover the greater of actual damages or \$100; (3) if a landlord retaliates against a tenant because the tenant exercised his or her rights under the law, then the tenant may be awarded up to \$500 for each violation plus actual damages; (4) if a landlord engages in prohibited acts such as excluding a tenant from the premises, or denying the tenant the right to sell his or her mobile home, then the tenant may recover the greater of actual damages or \$100; and (5) a tenant may recover his or her actual damages when the landlord violates other provisions of the Mobile Home Landlord-Tenant Act.

The attorney general may bring an action in the name of the state for violations of the Mobile Home Landlord-Tenant Act.

If a court finds as a matter of law, that a rental agreement or a settlement, or any part of a rental agreement or a settlement is unconscionable at the time it was made, then the court may: (1) refuse to enforce the agreement or settlement; (2) enforce the remainder of the agreement or settlement without the unconscionable portion; or (3) limit the application of any unconscionable decision to avoid an unconscionable result. The court must provide the parties an opportunity to present evidence regarding the setting, purpose, and effect to aid the court in making its determination.

Any person who violates the terms of a court injunction or restraining order, or an assurance of voluntary compliance

duly filed in court, must pay to the court a civil penalty not to exceed \$1,000 for each violation.

Amended Bill Compared to Substitute Bill: The rent and reasonable expenses that must be paid when a mobile home is abandoned or if there is an eviction, is defined as the amount of rent and expenses that are required under the rental agreement.

An insurance company is required to notify a mobile home park owner when it makes a payment to a mobile home owner for physical damage to the mobile home.

Language is added to clarify when a tenant may be evicted for drug-related activity, and the ability to evict tenants without cause is eliminated. A tenant may also be evicted for making a material misstatement at the time of application for tenancy in the mobile home park.

Penalties for nonperformance of duties by the park owner and the tenant are added. Subletting or assigning a tenancy is not allowed without the express written consent of the park owner, unless the rental agreement provides otherwise. The attorney general may bring an action in the name of the state for violations.

Fiscal Note: Not requested.

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

Testimony For: The bill will help reduce the park owners' costs in moving mobile homes. This will reduce the overall costs in operating mobile home parks. These cost-savings can be passed along to the park tenants. This is similar to a bill passed last session that required secured parties to pay rent and expenses after taking possession of a mobile home in a mobile home park.

Testimony Against: None.

Witnesses: John Woodring, WA Mobile Park Owners Association (pro original bill); and Paul McWhorter, WA Mobile Park Owners Association (pro original bill).