

SENATE BILL REPORT

HB 1378

As Reported By Senate Committee On:
Commerce, Trade, Housing & Financial Institutions, April 1, 1999

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

Brief Description: Regulating manufactured and mobile home landlord-tenant relations.

Sponsors: Representatives Veloria, Dunn, Morris, Kastama, Van Luven, Ogden, Kenney, Bush, Santos, Fortunato, Hurst, Edwards, O'Brien, McDonald and Keiser.

Brief History:

Committee Activity: Commerce, Trade, Housing & Financial Institutions: 3/23/99, 4/1/99 [DPA].

SENATE COMMITTEE ON COMMERCE, TRADE, HOUSING & FINANCIAL INSTITUTIONS

Majority Report: Do pass as amended.

Signed by Senators Shin, Vice Chair; Benton, Deccio, Hale, Rasmussen, T. Sheldon, West and Winsley.

Staff: Dave Cheal (786-7576)

Background: The Mobile Home Landlord-Tenant Act (Act) regulates the relationship between the owner of a mobile home park (landlord) and the owner of the mobile home (tenant). Key provisions of the Act require that the tenant is offered a written agreement for a term of at least one year, prohibits certain action by the landlord, and specifies the duties of the landlord and the tenant.

A landlord is required to give proper written notice to the tenant of various actions. The notice can be served to the tenant on behalf of the landlord: (a) by delivering a copy personally to the tenant; or (b) leaving a copy at the mobile home with a person of suitable age and discretion and sending a copy through the mail to the tenant's address; or (c) by affixing a copy in a conspicuous place on the mobile home if the tenant is absent and there is no one available of suitable age and discretion.

A landlord may require a tenant to pay a deposit as security for performance of the tenant's obligations in a rental agreement. The security deposit must be deposited by the landlord into a trust account maintained by the landlord for the expressed purposes of holding security deposits. Any interest earned on the tenant's security deposit is retained by the landlord.

Summary of Amended Bill: The Mobile Home Landlord-Tenant Act is revised to: (1) reflect current terminology regarding manufactured homes, mobile homes, and park models; (2) require park management to make reasonable efforts to notify tenants of their intention to enter the mobile home lot; (3) require landlords to place security deposits that exceed an

amount greater than two months rent into an interest-bearing account with interest paid to the tenant; and (4) require local governments to send a copy of any permit issued to either move or install a unit to the mobile home park owner.

The following terms are defined: (1) "manufactured home" means a single-family home built after 1976 and to the standards of the federal Manufactured Home Construction and Safety Standards Act; (2) "mobile home" means a factory-built dwelling built prior to 1976 and to standards other than the federal Manufactured Home Construction and Safety Standards Act; and (3) "park model" means a recreational vehicle intended or used for permanent or semi-permanent installation and habitation. These definitions are incorporated throughout the existing statutes and replace the single term "mobile home."

A mobile home park owner may: (1) prohibit entry or require the removal of an individual unit if it presents a violation of applicable fire or safety standards; and (2) require that the individual unit meet applicable fire and safety standards as a condition of transferring a rental agreement in the sale of the individual unit to another person.

The mobile home park management must make a reasonable effort to notify the tenant of their intention to enter the land where the individual unit is located. This provision does not apply to an emergency situation where there is a danger to people or property.

The landlord's written notice requirements are revised to remove the requirement that if the tenant is absent, the notice can be left with a person of suitable age and discretion and by then sending a copy through the mail to the tenant's address. The other notice requirements remain in effect.

A landlord is required to place security deposits in a trust account. Interest earned on security deposits that exceed two months rent must be paid to the tenant annually. Interest on security deposits of less than two months rent may be retained by the landlord, absent a written agreement to the contrary.

Cities and counties are required to send a copy of any permit issued to a tenant or the tenant's agent to either move or install a unit in a mobile home park to the mobile home park landlord.

Amended Bill Compared to Original Bill: The definition of park model– is amended to include recreational vehicles currently used for habitation. The Mobile Home Landlord-Tenant Act eviction procedures are made applicable to recreational vehicles that meet the definition of park model.– A possible basis for eviction or exclusion of a home from a park is violations of applicable fire and safety standards– as opposed to fire and safety concerns.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill contains an emergency clause and takes effect on July 1,1999.

Testimony For: The bill is the product of extensive negotiations between the park owners and park tenants and is supported by both groups. It provides needed clarification to vague and confusing parts of the Mobile Home Landlord-Tenant Act, which will benefit both landlords and tenants.

Testimony Against: None.

Testified: PRO: Martin Faveluke, Theresa Bosler, Ken Sponces, MHCW; Kathy Roseth, Washington Low Income Housing Congress; John Woodring, MITCN; Kim Herman, WSHFC; Doris McAtle, Ray Munson, MHCA; Nikki Phillips, MHCA/MHCP; Shirley Croy, MHOA.