SENATE BILL REPORT SB 6449

As Reported By Senate Committee On: Labor, Commerce & Financial Institutions, February 5, 2002

Title: An act relating to allowing entrance and exit fees under limited circumstances.

Brief Description: Allowing entrance and exit fees under limited circumstances.

Sponsors: Senator Kastama.

Brief History:

Committee Activity: Labor, Commerce & Financial Institutions: 1/29/02, 2/5/02 [DPS].

SENATE COMMITTEE ON LABOR, COMMERCE & FINANCIAL INSTITUTIONS

Majority Report: That Substitute Senate Bill No. 6449 be substituted therefor, and the substitute bill do pass.

Signed by Senators Prentice, Chair; Keiser, Vice Chair; Fairley, Franklin, Gardner, Rasmussen, Regala and Winsley.

Staff: Elizabeth Mitchell (786-7430)

Background: The law specifies certain items that cannot be part of a mobile home landlord-tenant rental agreement. These items include a landlord charging entrance and exit fees to a park.

Continuing care retirement communities offer multi-year shelter along with nursing, medical, health-related, or personal care services. These services are sometimes conditioned upon the payment of an entrance fee by tenants. Some organizations would like to become continuing care retirement communities, but the owners of these communities are currently prohibited from collecting entrance fees from mobile home residents.

Summary of Substitute Bill: Mobile home landlords are allowed to charge entrance and exit fees if these fees are specified in a contract for future care in a nursing home, continuing care retirement community or boarding home.

Substitute Bill Compared to Original Bill: Contracts must be for future care in nursing homes, continuing care retirement communities or boarding homes, not present care. It is clarified that boarding homes and nursing homes must be licensed by the Department of Health, not just defined by the department.

Appropriation: None.

Fiscal Note: Not requested.

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

Senate Bill Report - 1 - SB 6449

Testimony For: Warm Beach Senior Community in Stanwood wants to become a continuing care retirement community. Entrance fees into the community will provide for a future 20 percent discount on assisted living nursing home care. Currently Warm Beach is prohibited from charging entrance fees to its mobile home tenants.

Testimony Against: None.

Testified: David Fairchild, Warm Beach Senior Community (pro).

Senate Bill Report - 2 - SB 6449