

# HOUSE BILL REPORT

## ESHB 1524

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### As Passed House:

March 14, 2003

**Title:** An act relating to restricting utility assessments and charges for certain mobile home parks.

**Brief Description:** Restricting utility assessments and charges for certain mobile home parks.

**Sponsors:** By House Committee on Local Government (originally sponsored by Representatives Schindler, Romero, Crouse, Mielke, Cox, O'Brien, Benson, Berkey, Ericksen, Jarrett, Ahern and Rockefeller).

### Brief History:

#### Committee Activity:

Local Government: 2/12/03, 3/4/03 [DPS].

#### Floor Activity:

Passed House: 3/14/03, 87-7.

### Brief Summary of Engrossed Substitute Bill

- Prohibits a utility provider from requiring an existing mobile home park to pay certain utility charges until the mobile home park connects to the utility.

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## HOUSE COMMITTEE ON LOCAL GOVERNMENT

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 8 members: Representatives Romero, Chair; Schindler, Ranking Minority Member; Jarrett, Assistant Ranking Minority Member; Ahern, Berkey, Clibborn, Ericksen and Mielke.

**Minority Report:** Do not pass. Signed by 2 members: Representatives Upthegrove, Vice Chair; and Moeller.

**Staff:** Amy Wood (786-7127).

### Background:

All cities, towns, and counties (local governments) are authorized to construct, maintain, and operate sewer systems. Local governments do not have express statutory authority to require property owners to connect to a sewer system. However, if a local government determines that a septic system has failed, they are directed to take corrective actions to address the condition.

Unlike local governments, water-sewer districts have express authority to require property owners within an area serviced by the districts' sewers to connect to the sewer system, regardless if the septic system has failed or not.

In 1998 the Legislature prohibited cities, towns, or counties from requiring that an existing mobile home park replace an existing, functional septic system with a sewer system within the community unless the local board of health determines that the septic system is failing.

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**Summary of Engrossed Substitute Bill:**

A city, town, county, local improvement district, utility local improvement district, municipal corporation, political subdivision, or any other person, firm, or corporation cannot require a mobile home park to pay a sewer availability charge, standby charge, or any other similar type of charge, including penalties for nonpayment of these charges, until the mobile home park actually connects to that utility. This provision applies retroactively.

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**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.

**Testimony For:** This is a simple bill. If water-sewer districts do not deliver service, they cannot charge for service. Like cable and telephone service, you do not pay if you do not connect to the service. The bill asks that cities refrain from requiring hookup until they determine that the septic system is failing; that is reasonable. Otherwise, we add an unfair burden to residents of mobile home parks. It is fundamentally unfair to require that residents pay for services they do not receive and cannot afford.

There are substantial costs associated with hooking up each mobile home within the park and would require tearing up the park and rebuilding it. The law only applies to existing mobile home parks, because new parks are required to lay sewers. Local governments have simply been unwilling to help.

In 1998 the Legislature decided that mobile home parks with functioning septic systems should not be required to connect, yet owners are still being charged connection fees. Should anything ever go wrong with the septic system, then they will have to connect. The health department is capable of judging if a septic system is in compliance. Residents of these parks can least afford to pay charges for services they do not receive; it will run them out of the park. A one time fee is one thing, but an ongoing fee is unreasonable.

**Testimony Against:** Water-sewer customers are treated differently from cable and telephone customers because there is a benefit to the property whether they connect or not. This decision has been upheld in court. The owners of mobile home parks are charged an availability fee not a connection fee. These fees have been accumulating. To release owners from back fees now could raise issues related to lending of credit.

The Spokane Valley Aquifer is the sole drinking water supply for over 300,000 people in the region and is at risk from septic systems because the soil conditions in the area allow the sewage to filter down into the Aquifer. A septic tank elimination program will be completed in the urban growth area by 2010. When the program is completed, over \$375 million will have been spent on the wastewater system. Currently, there are two mobile home parks with approximately 100 units not connected, but located in sewer areas. The environmental impacts and the need for clean water require that mobile home parks convert to sewer systems. The problem comes from the collective damage from septic systems; our data confirms this.

It is an equity question. Residents of apartments and homes are required to pay connection fees. If residents of mobile home parks do not, others will have to make up the cost.

**Testified:** Representative Schindler, prime sponsor; Ray Munson, Mobile Home Owners of America; and Jim Olinger, Jim Woodring, and Ken Spenser, Manufacturing Housing Community of Washington.

(In support with concerns) Bob Mack, Cities of Spokane and Lakewood; and Victoria Lincoln, Association of Washington Cities.

(Against) Dave Peeler, Department of Ecology; and Ed Thorpe, Coalition for Clean Water.