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## SENATE BILL 5068

State of Washington 58th Legislature

2003 Regular Session

By Senator Prentice

Read first time 01/14/2003. Referred to Committee on Financial Services, Insurance & Housing.

- 1 AN ACT Relating to resolving manufactured/mobile home landlord and
- 2 tenant disputes; amending RCW 59.22.050; adding a new chapter to Title
- 3 59 RCW; prescribing penalties; and providing effective dates.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. **Sec. 1.** (1) The legislature finds that taking legal action against a landlord or tenant for violations of the manufactured/mobile home landlord-tenant act can be a costly and lengthy process, and that many people cannot afford to pursue this process.
- 10 (2) Therefore, it is the intent of the legislature to provide a less costly and lengthy way for manufactured/mobile home landlords and 11 12 tenants to resolve disputes, and to provide a mechanism for state 13 authorities to quickly locate managers and owners of manufactured housing communities. The legislature further intends to authorize the 14 15 department of licensing to register manufactured housing community 16 managers, conduct investigations, issue citations, and impose fines for 17 violations of the manufactured/mobile home landlord-tenant act.

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NEW SECTION. Sec. 2. The definitions in this section apply throughout this chapter unless the context requires otherwise.

(1) "Department" means the department of licensing.

- (2) "Manufactured housing community" has the same meaning as in RCW 59.20.030.
  - (3) "Manufactured housing community manager" means a person who performs manufactured housing community management duties and does not include resident owners of manufactured housing communities who perform management duties.
  - <u>NEW SECTION.</u> **Sec. 3.** (1) Upon receiving complaints alleging violations of chapter 59.20 RCW by either landlords or tenants, the department may investigate the alleged violations and issue citations.
  - (2) If after an investigation the department finds a violation of chapter 59.20 RCW, the department must deliver a citation to the person who has committed the violation either by certified mail or in person. The citation must specify the violation, the corrective action to be taken, the time within which the corrective action must be taken, the penalties that will result if corrective action is not taken within the specified time period, and the process for contesting the citation through a hearing.
  - (3) Citations for all violations other than those deemed imminently life-threatening may be contested through an administrative hearing under chapter 34.05 RCW. In order to obtain a hearing a person must, within fifteen days of receiving a citation from the department, request that the department conduct a hearing. If a hearing is not requested within this time period, the citation constitutes a final order of the department and is not subject to review by any court or agency. If an administrative law judge decides that a person has violated chapter 59.20 RCW, that person shall pay for the cost incurred by the department in conducting the hearing.
  - (4) For violations that are imminently life-threatening, corrective action must take place within twenty-four hours of the receipt of the department's citation. For all other violations, corrective action must take place within fifteen days of the receipt of the department's citation.
- 36 (5) If a person fails to take corrective action within the required 37 time period and the department has not received a timely request for an

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administrative hearing, the department may impose a fine for every day that the violation remains uncorrected. The department shall establish a schedule of fines by rule.

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- (6) Upon application by a person showing that a good faith effort to comply with the corrective action requirements of the citation has been made and that the corrective action has not been completed because of factors beyond the person's control, the department may extend the time period in which corrective action must be taken before fines are imposed.
- 10 (7) This section does not limit the right of landlords or tenants 11 to take legal action against another party as provided in chapter 59.20 12 RCW.
- NEW SECTION. Sec. 4. (1) A person cannot be a manager of a manufactured housing community consisting of more than twenty-five lots until a certificate of registration certifying him or her as a manufactured housing community manager has been issued by the department.
- 18 (2) A corporation, partnership, trust, association, sole 19 proprietor, or other like organization may own or operate a 20 manufactured housing community or engage in the business of 21 manufactured housing community management without being certified if it 22 employs, retains, or contracts with certified natural persons who are 23 registered manufactured housing community managers subject to this 24 chapter.
- NEW SECTION. Sec. 5. (1) To apply for registration an applicant must file with the department an application for registration on a form prescribed by the department. The department may adopt rules to prescribe the contents of the application. The application must include, but is not limited to:
- 30 (a) The name and address of the manufactured housing community 31 owner;
- 32 (b) The name and address of the manufactured housing community 33 manager; and
- 34 (c) The number of lots within the manufactured housing community 35 that are subject to chapter 59.20 RCW.

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- 1 (2) Certificates of registration are effective on the date issued 2 by the department and must be renewed annually.
- 3 (3) The department may adopt fees to cover the administrative costs 4 of park manager registration.

## 5 <u>NEW SECTION.</u> **Sec. 6.** (1) By July 1, 2004, the department must:

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- (a) Compile the most accurate list possible of all the manufactured housing communities in the state, the number of lots subject to chapter 59.20 RCW located in each manufactured housing community, and the names and addresses of the owners of these parks. The department is encouraged to work with groups including, but not limited to: The office of community development, mobile home owners' associations, tenant advocacy groups, park owners' associations, and county assessors to generate the list. The list must be updated annually;
- (b) Send out notifications to all known manufactured housing community owners that the first annual fees pursuant to section 9 of this act are due. These notifications must include information about late fees, liens, and passing costs on to tenants; and
- 18 (c) Collect the first annual fees due from all park owners, and 19 allow sixty days to pass during which late fees and lien notices are 20 sent to noncomplying mobile home park owners as provided in this 21 chapter.
- (2) Fees pursuant to section 9 of this act must be collected by the department on an annual basis thereafter.
  - NEW SECTION. Sec. 7. By January 1, 2005, the department must have properly trained employees in place to administer this chapter. The department is encouraged to work with persons who have knowledge of manufactured/mobile home landlord-tenant disputes to properly train its employees to implement this chapter. These knowledgeable persons may be employees of the office of community development or employees of other states' manufactured housing divisions, when those states have a similar model of manufactured/mobile home landlord-tenant dispute resolution.
- NEW SECTION. Sec. 8. The manufactured/mobile home investigations account is created in the custody of the state treasurer. All receipts from the imposition of fines for violations of chapter 59.20 RCW and

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- 1 the fees collected under sections 3 and 9 of this act must be deposited
- 2 into the account. Expenditures from the account may be used only for
- 3 the administrative costs associated with administering this chapter.
- 4 Only the director or the director's designee may authorize expenditures
- 5 from the account. The account is subject to allotment procedures under
- 6 chapter 43.88 RCW, but an appropriation is not required for
- 7 expenditures.

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- <u>NEW SECTION.</u> **Sec. 9.** (1) Each owner of a mobile home park shall 8 pay to the department an annual registration fee to fund the 9 administrative costs of the investigation of violations of the 10 11 manufactured/mobile home landlord-tenant act as provided in this 12 chapter. The fee must be determined annually by the department, and may not exceed ten dollars for each lot within a park that is subject 13 to chapter 59.20 RCW. Park owners may pass on the cost of this fee to 14 tenants. The first annual fees must be collected at a date determined 15 16 by the department, but no later than July 1, 2004, as provided in 17 section 6 of this act.
  - (2) If an owner fails to pay the fee within thirty days after receiving written notice of the amount due, a penalty of fifty percent of the amount of the fee is added to the amount due. The owner is not entitled to any reimbursement of this penalty from his or her tenants.
- 22 (3) If an owner fails to pay the required fees within sixty days 23 after receiving written notice of the amount due:
- (a) The amount due under this section becomes a lien in favor of the state upon the owner's property. The lien is superior to all other liens and encumbrances except general taxes and local and special assessments, and bears interest computed monthly and compounded annually at a rate of eight percent; or
- 29 (b) Tenants may voluntarily submit their lot fees to the 30 department.
- 31 (4) All fees collected by the department under subsection (1) of 32 this section must be deposited into the manufactured/mobile home 33 investigations account.
- 34 **Sec. 10.** RCW 59.22.050 and 1991 c 327 s 3 are each amended to read as follows:
- 36 (1) In order to provide general assistance to mobile home resident

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organizations, park owners, and landlords and tenants, the department shall establish an office of mobile home affairs which will serve as the coordinating office within state government for matters relating to mobile homes or manufactured housing.

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15 16 This office will ((provide an ombudsman service to mobile home park owners and mobile home tenants with respect to problems and disputes between park owners and park residents and to)) provide technical assistance to resident organizations or persons in the process of forming a resident organization pursuant to chapter 59.22 RCW. The office will keep records of its activities in this area.

- (2) The office shall perform all the consumer complaint and related functions of the state administrative agency that are required for purposes of complying with the regulations established by the federal department of housing and urban development for manufactured housing, including the preparation and submission of the state administrative plan.
- 17 (3) The office shall administer the mobile home relocation 18 assistance program established in chapter 59.21 RCW, including 19 verifying the eligibility of tenants for relocation assistance.
- NEW SECTION. Sec. 11. The office of community development is directed to work with the department of licensing in order to facilitate an orderly transition from the mobile home park ombudsman program to the registration and enforcement system created by this chapter.
- NEW SECTION. Sec. 12. Sections 1, 2, 5 through 9, and 11 of this act take effect August 1, 2003. Sections 3, 4, and 10 of this act take effect January 1, 2005.
- NEW SECTION. Sec. 13. Sections 1 through 9 and 11 of this act constitute a new chapter in Title 59 RCW.

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