

# FINAL BILL REPORT

## ESHB 1640

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Synopsis as Enacted

**Brief Description:** Providing a dispute mechanism for manufactured/mobile home landlord and tenant disputes.

**Sponsors:** By House Committee on Housing (originally sponsored by Representatives Morrell, Chase, Dunn, McCoy, O'Brien, Appleton and Lantz).

**House Committee on Housing**

**House Committee on Appropriations**

**Senate Committee on Financial Institutions, Housing & Consumer Protection**

**Senate Committee on Ways & Means**

### **Background:**

The Manufactured/Mobile Home Landlord-Tenant Act (Act) governs the legal rights, remedies and obligations arising from any rental agreement between a landlord and a tenant regarding a mobile home lot or pad where the tenant has no ownership interest in the real property or in the association which owns the real property. The Act sets forth grounds for termination of the tenancy, duties of the landlord, duties of the tenant, rules with respect to transfer of the rental agreement, and the effect of failure to carry out duties. The Act includes provisions with respect to bringing suit as well as arbitration and mediation proceedings.

The Office of Mobile Home Affairs (OMHA) was created in the Department of Community, Trade and Economic Development (DCTED) to serve as the coordinating office within state government for matters relating to manufactured/mobile homes. The OMHA provides ombudsman service to manufactured/mobile home park owners and tenants with respect to disputes and problems. It also provides technical assistance to resident organizations or persons in the process of forming a resident organization; handles the consumer complaints and related functions necessary to comply with the regulations established by the federal Department of Housing and Urban Development for manufactured/mobile homes; and administers the Mobile Home Relocation Assistance Program.

### **Summary:**

An expanded ombudsman service within the DCTED, funded by a mobile home park registration fee and providing for additional numbers of investigative fact-finding staff and contractors to investigate complaints, will provide outreach and service to tenants through the implementation of a toll free information and complaint hot line, compile and track data regarding complaints, and produce a registry by December 31, 2005, of all mobile home parks, including the number of tenants/units within each park. The DCTED must report on the

number and types of complaints as well as on the success rate of complaint resolution to the appropriate committees of the House of Representatives and Senate by December 31, 2005.

#### Investigations

Complainants must provide written notice to the respondent prior to notifying the DCTED of an alleged violation. Whether to investigate a complaint is left to the discretion of the DCTED. Investigations will be conducted by the DCTED ombudsman staff or consultants. Representatives of the ombudsman program will negotiate an agreement between the two parties. These procedures do not effect the remedies available under the Mobile Home Landlord Tenant Act.

#### Outreach to Tenants and Landlords Regarding Ombudsman Program

The DCTED is required to ensure that notice of this program is widely distributed. Landlords will be required to post a notice about the program prominently in common areas. A toll-free number will be established for park owners and tenants to use to seek additional information and to communicate complaints.

#### Data Collection and Reporting

By December 31, 2005, the DCTED must submit a summary report of its activities under these provisions to the House of Representatives Housing Committee and the Senate Committee of Financial Institutions, Housing & Consumer Protection. This report will include:

- number of complaints received;
- nature and extent of complaints received;
- actions taken by the DCTED on each complaint;
- recommendations on future changes in law;
- recommendations on resources necessary to retain or improve the ombudsman program; and
- recommendations on whether or not an administrative hearing process should be adopted.

#### Registration of Mobile Home Parks and Manufactured Housing Communities

All mobile home parks and manufactured housing communities must register with the DCTED. The DCTED must compile the most accurate list possible of all mobile home parks and manufactured housing communities in the state, the number of lots subject to these new provisions in each park or community, and the names and addresses of these parks. The DCTED must submit this registry to the House of Representatives Housing Committee and the Senate Committee of Financial Institutions, Housing and Consumer Protection by December 31, 2005.

An annual park registration fee, which is used by the DCTED to administer these provisions, is assessed. The annual park registration fee is \$5 per lot. No more than \$2.50 of the fee may be passed on to the tenants by the park or community owner.

Notification regarding the fee must go out to all known mobile home/manufactured housing community owners. If the owner fails to pay the fee, a penalty shall be assessed at the prevailing interest rate for Superior Court civil judgments.

Any uncollected fees and assessments may continue to be collected after December 31, 2005.

Investigation Account

A Manufactured/Mobile Home Investigations Account (Account) is created in the custody of the State Treasurer. All receipts from park registration fees and late fees must be deposited in the Account. Expenditures may only be used for costs associated with this chapter. An appropriation is not required for expenditures, but the Account is subject to the allotment procedures. In January 2006, any remaining funds in the Account will be transferred to the Mobile Home Affairs Account for the DCTED ombudsman program. .

These provisions expire December 31, 2005.

**Votes on Final Passage:**

House	96	0	
Senate	44	0	(Senate amended)
House	98	0	(House concurred)

**Effective:** May 13, 2005