

SENATE BILL REPORT

SB 5107

As Reported By Senate Committee On:
Financial Institutions, Housing & Consumer Protection, February 17, 2005

Title: An act relating to allowing reimbursement limits under the mobile home relocation assistance act to be set by rule.

Brief Description: Allowing reimbursement limits under the mobile home relocation assistance act to be set by rule.

Sponsors: Senators Fairley, Berkey, Parlette and Hewitt; by request of Department of Community, Trade, and Economic Development.

Brief History:

Committee Activity: Financial Institutions, Housing & Consumer Protection: 1/19/05, 2/17/05 [DPS].

SENATE COMMITTEE ON FINANCIAL INSTITUTIONS, HOUSING & CONSUMER PROTECTION

Majority Report: That Substitute Senate Bill No. 5107 be substituted therefor, and the substitute bill do pass.

Signed by Senators Fairley, Chair; Berkey, Vice Chair; Benson, Brandland, Delvin, Franklin, Keiser, Prentice and Spanel.

Staff: Jennifer Arnold (786-7471)

Background: The Mobile Home Relocation Act was enacted in 1989. This act provides monetary relocation assistance to low-income mobile home owners in the event the mobile home park, in which the tenant resided, is closed or converted to another use. Assistance is on a first-come, first-serve basis and is available only to tenants who either relocate their mobile home or dispose of a mobile home that cannot be relocated.

The Department of Community, Trade, and Economic Development (CTED) administers applications for reimbursement of mobile home relocation expenses. These expenses are paid from the mobile home park relocation fund. The source of the fund's income and administration costs is a \$100 title transfer fee paid the buyers of mobile homes, which are more than one year old and sold for at least \$5,000.

An eligible tenant may apply for reimbursement of actual expenses, for a maximum of \$7,000 for a double-wide home and \$3,500 for a single-wide home.

Summary of Substitute Bill: The reimbursement amounts for mobile home relocation assistance, provided for under the Mobile Home Relocation Act, are increased to \$12,000 for a double-wide home and \$7,500 for a single-wide home.

Substitute Bill Compared to Original Bill: The reimbursement amounts are set by statute, rather than by agency rule.

Appropriation: None.

Fiscal Note: Requested on January 14, 2005.

Committee/Commission/Task Force Created: No.

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

Testimony For: This would allow CTED to assist the most vulnerable persons in the state and help ensure the department to be as responsive to the people's needs as possible. CTED needs the ability to regularly assess and get input on what the limits should be in order to be flexible to meet tenants' needs; however, the agency's intent is not to pay different people different amounts. This would simply be a tool to aid in assisting the state's most vulnerable.

Testimony Against: No limits are provided as to how high CTED can raise their fees. A striking amendment is needed that caps the limits. In addition, the low-income eligibility requirement should be raised from 80 percent to 100 percent of the median to use some of the fund's surplus to assist everyone who is forced to relocate. CTED should not be given a blank check.

Who Testified: PRO: Stephen Buxbaum, CTED; Teri Ramsauer, CTED, Office of Manufactured Housing; Ken Spencer, MHCW; Kim Herman, WSHFC; Nick Federici, Washington Low-Income Housing Alliance.

CON: Ray Munson, MHOA-153.