

FINAL BILL REPORT

E2SHB 1461

PARTIAL VETO

C 431 L 07

Synopsis as Enacted

Brief Description: Addressing manufactured/mobile home community registrations and dispute resolution.

Sponsors: By House Committee on Appropriations (originally sponsored by Representatives Morrell, Miloscia, O'Brien, Ericks, Hunt, Sells, Green, Flannigan, Williams, Kenney, Appleton, Ormsby, Quall, Haigh, Hasegawa and Lantz).

House Committee on Housing

House Committee on Appropriations

Senate Committee on Consumer Protection & Housing

Background:

Manufactured/Mobile Home Dispute Resolution.

According to the Department of Community, Trade and Economic Development (DCTED) there are 1,829 known manufactured/mobile home communities containing about 62,000 homes.

The 2005 Legislature passed ESHB 1640 to temporarily expand the complaint investigation and dispute resolution resources of the DCTED Office of Mobile Home Affairs (OMH). The DCTED was also required to register manufactured/mobile home communities and submit data to the Legislature. The act went into effect May 13, 2005, and expired December 31, 2005.

The DCTED presented a report to the Legislature in December 2005 in which it provided information regarding complaints, the estimated number of parks and communities in the state, and an outline of recommendations for legislative action which included continuing the OMH program as expanded under ESHB 1640 with a few changes including:

- authorizing the DCTED to issue findings as to whether or not violations occurred;
- eliminating the requirement that complainants need notify respondents; and
- revising the formula for the calculation of registration late fees.

The 2006 Legislature included a proviso in the Capital Budget (ESSB 6384, Section 108) which appropriated \$200,000 to continue the program within the financial means provided and directed OMH to estimate the number and types of complaints since the onset of the 2005 program that presented violations of the Manufactured/Mobile Home Landlord-Tenant Act. The DCTED report to the Legislature in January 2007 included the following information reflecting the opinions of the DCTED staff:

- Of the 827 issues reviewed, 55 percent presented a violation and 44 percent did not present a violation.
- Of the 55 percent determined to present violations, 100 percent were landlord violations.
- Most prevalent issues consisted of "Park Rules, Difficulties with Community Manager, Park Maintenance, and Park Amenities."

The Washington Office of the Attorney General.

The Attorney General's Office is a constitutionally created office which advises and officially represents Washington in all legal proceedings. The Attorney General's Office also enforces laws to protect the public as directed by the Legislature, including upholding the Consumer Protection Act, enforcing laws against anti-competitive business practices, recovering refunds for consumers and imposing penalties and injunctions on offending businesses. The Attorney General's Office is directed by the Legislature to administer specific programs intended to protect the public, including administering Washington's Lemon Law and educating the public on issues such as identity theft and scams that target seniors, minorities and vulnerable populations.

The Department of Licensing Master License Service.

The Master License Service is administered by the Department of Licensing, Business and Professions Division. The program functions as a central licensing service for a variety of businesses in Washington. A master license is a single license that incorporates endorsements, certificates, approvals, and registrations, and certifies state agency approval for the various regulated activities in which a business may be engaged. The program also provides information to the business community concerning state licensing and regulatory requirements, including local and federal information regarding state-regulated activities.

Master license fees are set in statute and have not changed since 1992. The master application fee is \$15, and the renewal fee is \$9. Late fees are also established in statute under. All fees are deposited in the Master License Fund.

Summary:

A new program for resolving Manufactured/Mobile home disputes is established. The Office of Mobile Home Affairs is removed as a statutorily established office within the DCTED along with its respective duty to provide ombudsman services to mobile home park owners and tenants.

The Manufactured/Mobile Home Dispute Resolution Program - Attorney General.

The Attorney General is authorized to administer a Manufactured/Mobile Home Dispute Resolution Program to attempt to resolve disputes regarding alleged violations of the Manufactured/Mobile Home Landlord-Tenant Act.

The Attorney General will:

- take complaints from manufactured/mobile home tenants and landlords;
- investigate complaints; and

- attempt to negotiate an agreement.

If no agreement can be reached, the Attorney General may:

- make written determinations about whether a violation has occurred; and
- deliver a citation, if necessary, to any violator. The citation will specify the violation and the corrective action required.

If no corrective action has been taken (as directed by the citation order) and no administrative hearing has been requested within the allowed 15 business day time frame, the Attorney General may issue a fine up to a maximum of \$250 a day per violation until the violation is corrected.

Determinations, citations, fines, other penalties and orders to cease and desist may be contested through an administrative hearing before an administrative law judge.

Other Attorney General Responsibilities.

Other Attorney General responsibilities include:

- creating and providing to tenants and landlords educational materials about the Manufactured/Mobile Home Dispute Resolution Program and the Manufactured/Mobile Home Landlord-Tenant Act; and
- maintaining a database of complaints and reporting annually to the Legislature.

Dispute Resolution Program Funding.

The Manufactured/Mobile Home Dispute Resolution Program is funded with \$9 of every \$10 of the annual registration assessment for each manufactured/mobile home and any fines collected as a result of the Dispute Resolution Program.

Manufactured/Mobile Home Registration - The Department of Licensing (DOL).

The DOL is authorized to:

- register all manufactured/mobile home communities annually and collect a registration assessment of \$10 for each home subject to the Manufactured/Mobile Home Landlord Tenant Act; and
- maintain a database of communities.

The DOL will charge the statutory master application fees for the initial registration of a community and for annual application renewal. The DOL may charge \$250 for late initial registrations and may charge statutory late fees for failure of a community to renew its registration on time.

Registration Program Funding.

The master application fee, \$1 of every \$10 of the annual home assessment, and all late registration fines are deposited in the Master License Fund.

Votes on Final Passage:

House	97	0	
Senate	28	18	(Senate amended)
House	94	1	(House concurred)

Effective: July 22, 2007

Partial Veto Summary: The Governor vetoed the section that repealed the Office of Mobile Home Affairs within the DCTED and its duty to provide ombudsman service to mobile home park owners and tenants. (The veto resolves a conflict with amendments in SHB 2118.)