SENATE BILL REPORT SB 5261

As Reported by Senate Committee On: Financial Institutions, Housing & Insurance, February 16, 2011

Title: An act relating to developing training for manufactured housing community managers.

Brief Description: Developing training for manufactured housing community managers.

Sponsors: Senators Hobbs, Schoesler, Benton, Hill, Honeyford and Shin.

Brief History:

Committee Activity: Financial Institutions, Housing & Insurance: 2/02/11, 2/16/11 [DPS].

SENATE COMMITTEE ON FINANCIAL INSTITUTIONS, HOUSING & INSURANCE

Majority Report: That Substitute Senate Bill No. 5261 be substituted therefor, and the substitute bill do pass.

Signed by Senators Hobbs, Chair; Prentice, Vice Chair; Benton, Ranking Minority Member; Fain, Haugen, Keiser and Litzow.

Staff: Alison Mendiola (786-7483)

Background: Manufactured/mobile home communities are governed by the Manufactured/Mobile Home Landlord-Tenant Act (MHLTA). The MHLTA outlines the rights and responsibilities of manufactured/mobile home landlords and tenants, including those pertaining to rental agreements; prohibited acts by the landlord; sale, closure, or conversion of the mobile home park; tenant rights in the event of proposed sale, closure, or conversion; grounds for termination of tenancy; maintenance responsibilities; and health and sanitation.

Manufactured/Mobile Home Dispute Resolution Program. The Attorney General administers a Manufactured/Mobile Home Dispute Resolution Program that provides educational materials to manufactured/mobile home tenants and landlords and attempts to resolve disputes regarding alleged violations of MHLTA. The program investigates complaints from tenants and landlords and attempts to negotiate a resolution. If no agreement can be reached, the Attorney General may issue written notices of violations, specify corrective action, and issue fines up to a maximum of \$250 for each day that a violation remains uncorrected.

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This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

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.

<u>Civil Infractions.</u> Civil infractions are noncriminal offenses that subject the violator to monetary penalties. Notices of civil infractions are issued by an enforcement officer when the violation occurs in the officer's presence or by a court based on an officer's statement. A person subject to the notice of civil infraction may contest the determination within 15 days. A person that commits a class 1 civil infraction is subject to a fine of \$250.

Summary of Bill (Recommended Substitute): Manufactured Housing Community Certification. A training program for manufactured housing communities is created. Any manager who lives in a manufactured housing community and performs management duties must be trained and possess a certificate of completed training. This includes a person who lives off-site and performs park management duties. An owner who lives in the park but does not perform management duties does not need a certificate. Communities with 12 or less lots do not need a certificate. Manufactured housing community management includes the collection of rent, renting lots, and the implementation of landlord duties and responsibilities under the MHLTA.

<u>Advisory Council on Manufactured Housing Community Management.</u> The council must consist of five members:

- two must be park residents, selected by statewide associations exclusively presenting tenants;
- two must be owners, selected by statewide associations exclusively representing manufactured housing communities;
- the Office of the Attorney General serves as an advisory member of the council, who only votes when the tenants and owners cannot agree on the approval of a curriculum.

The terms are four years. The Council is to develop the curriculum for the Manufactured Housing Community Management eight-hour training curriculum. There is an annual four-hour requirement for continuing education. Only statewide associations exclusively representing manufactured housing communities may conduct the trainings, for which they may charge a fee. The tenant relations portion of the training and continuing education is to be taught by statewide associations exclusively representing manufactured housing community tenants.

A violation of this act is a class 1 civil infraction.

EFFECT OF CHANGES MADE BY FINANCIAL INSTITUTIONS, HOUSING & INSURANCE COMMITTEE (Recommended Substitute): Elected officials are removed from the Advisory Board, as is a representative from the AGO. However, if the Board is unable to reach a decision, a representative from the AGO must vote. Manufactured housing communities with 12 or less lots are exempt from the training requirements. Tenants are to provide the tenant relations training and continuing education.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: The bill takes effect January 1, 2012, except for section 3, which takes effect six months after approval of the initial training curriculum, if that approval occurs later than January 1, 2012.

Staff Summary of Public Testimony on Original Bill: PRO: Park managers should be knowledgeable about current laws. There are similar programs in other states, such as Arizona and Nevada. Industry would conduct the training but that's common in many professions, such as with attorneys and real estate agents. The proponents of the bill approached state agencies about conducting the training but the costs would be prohibitive. The advisory committee is an important element of this bill. Small parks should be exempt. At least part of the training should be conducted by the tenants, and they should get part of the training fee.

OTHER: Given that this program would operate independently, there would likely be no enforcement so the program should be within an agency such as the Attorney General's dispute resolution program.

Persons Testifying: PRO: Ken Spencer, John Woodring, Manufactured Housing Communities of Washington; Judith White, Senior Lobby and Mobile Home Owners Association (MHOA).

OTHER: Jon Landis, Association of Manufactured Home Owners; Ishbel Dickens, Don Carlson, MHOA; Pedro Berndl, Office of the Attorney General.

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