
HOUSE BILL 2954

State of Washington

64th Legislature

2016 Regular Session

By Representative Ryu; by request of Washington State Department of Commerce

Read first time 02/01/16. Referred to Committee on Community Development, Housing & Tribal Affairs.

1 AN ACT Relating to directing the department of commerce to study
2 the sale and financing of manufactured homes and develop
3 recommendations to improve consumer protections for manufactured
4 homeowners and buyers; creating new sections; and providing an
5 expiration date.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 NEW SECTION. **Sec. 1.** (1) The legislature finds that:

8 (a) Manufactured homes are a critical source of housing for the
9 people of the state of Washington, and provide homeownership
10 opportunities for persons that might otherwise be unable to afford a
11 home, including seniors and low-income households;

12 (b) Manufactured homes are typically sold as personal property
13 under retail installment contracts and similar financing agreements,
14 in contrast to the sale of real property such as site-built homes,
15 which are typically sold under financing contracts subject to the
16 deed of trust act;

17 (c) Reporting over the past year has identified concerning sales,
18 lending, and repossession practices in the manufactured housing
19 industry within Washington state and nationwide; and

20 (d) Washington state provides greater consumer protections for
21 purchasers of homes under the deed of trust act and other laws than

1 for most purchasers of manufactured homes, including extended
2 timelines to cure defaults, foreclosure mediation, and a prohibition
3 against deficiency judgments for obligations secured by a deed of
4 trust.

5 (2) Therefore, the legislature intends by this act to direct the
6 department of commerce to study the sale and financing of
7 manufactured homes and develop recommendations to improve consumer
8 protections for manufactured homeowners and buyers.

9 NEW SECTION. **Sec. 2.** (1) Within existing resources, the
10 department of commerce shall study the sale and financing of
11 manufactured homes and develop a comparison of consumer protections
12 provided to purchasers of manufactured homes under retail installment
13 and similar contracts with those provided to purchasers of homes
14 under the deed of trust act, chapter 61.24 RCW, and other applicable
15 state and federal laws and rules.

16 (2) The department shall consult with a diverse group of
17 stakeholders in conducting the study including, but not limited to:
18 Representatives of manufactured home sellers and financing companies,
19 manufactured home park owners, consumer protection advocates, and
20 current and prospective manufactured homeowners.

21 (3) Topics to be studied must include, but not be limited to:
22 Manufactured home sale and financing practices, the applicability of
23 usury laws to manufactured home financing, disclosure requirements
24 and practices, repossession practices, and the status of manufactured
25 homes under state laws pertaining to real property.

26 (4) The department shall report its findings, including
27 recommendations intended to improve consumer protections for
28 manufactured homeowners and buyers, to the governor and appropriate
29 committees of the legislature by January 1, 2017.

30 (5) This section expires June 30, 2017.

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