

SENATE BILL REPORT

SB 5678

As of February 10, 2017

Title: An act relating to eligibility for relocation assistance for tenants of closed or converted mobile home parks.

Brief Description: Modifying who is eligible for relocation assistance for tenants of closed or converted mobile home parks.

Sponsors: Senators Miloscia, Angel, Hobbs, Warnick and Hasegawa.

Brief History:

Committee Activity: Financial Institutions & Insurance: 2/09/17.

Brief Summary of Bill

- Removes limitation of relocation assistance to low-income households.
- Makes relocation assistance available if a mobile home park undergoes redevelopment, a change within its age-restricted community use, or is closed or converted to rehabilitate and relocate a pre-Housing and Urban Development (pre-HUD) mobile home.
- Permits the tenant may get up to \$2,500 additional assistance if the mobile home was ground set in the park.
- Allows tenants who have abandoned their mobile homes in mobile home parks to recover one quarter of the of the maximum allowable expenses if they qualify.

SENATE COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE

Staff: Aldo Melchiori (786-7439)

Background: Applicants for a certificate of title for an original or transfer manufactured home transaction are required to pay a \$100 fee if the manufactured home (1) is located in a mobile home park; (2) is one year old or older; (3) is new or ownership changes unless the change involves adding or deleting a spouse or domestic partner, coregistered owner, or legal owner; and (4) is sold for \$5,000 or more. The fee is forwarded to the State Treasurer for

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deposit in the mobile home park relocation fund (Fund). The Fund is used exclusively for relocation assistance.

If a mobile home park is closed or converted to another use after December 31, 1995, eligible tenants are entitled to assistance on a first-come, first-serve basis. The Department of Commerce gives priority for distribution of relocation assistance to tenants residing in parks that are closed as a result of park-owner fraud or as a result of health and safety concerns as determined by the local board of health. Payments are only made if there are available funds. Assistance for closures occurring after December 31, 1995, is limited to persons who maintain ownership of and relocate their mobile home or who dispose of a home not relocatable to a new site.

Persons who removed and disposed of their mobile home or maintained ownership of and relocated their mobile homes are entitled to reimbursement of actual relocation expenses up to \$12,000 for a double-wide home and up to \$7,500 for a single-wide home. Any individual or organization may apply to receive funds from the mobile home park relocation fund, for use in combination with funds from public or private sources, toward relocation of tenants. If the tenant receives relocation assistance from another source, the amount received from the mobile home park relocation fund is reduced by that amount.

Eligibility for relocation assistance funds is limited to low-income households. Low-income household means a single person, family, or unrelated persons living together whose adjusted income is less than 80 percent of the median family income, adjusted for household size, for the county where the mobile or manufactured home is located.

Funds received from the mobile home park relocation fund must only be used for relocation assistance expenses or other mobile/manufactured home ownership expenses, that include down payment assistance, if the owners are not planning to relocate their mobile home.

Summary of Bill: Eligibility for relocation assistance funds is no longer limited to low-income households.

After the effective date of the act, relocation assistance is also available if a mobile home park undergoes redevelopment, a change within its age-restricted community use, or is closed or converted to rehabilitate and relocate a pre-HUD mobile home within the park. In addition to the current relocation assistance, the tenant may get up to \$2,500 additional assistance if the mobile home was ground set in the park.

After the effective date of the act, tenants who have abandoned their mobile homes in mobile home parks may recover one quarter of the of the maximum allowable expenses if they qualify by paying all property taxes due, providing the landlord with proof of ownership, and providing releases of all liens that are shown on the certificate of title.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony: PRO: This would be good for tenants, cities, and mobile home park owners. It opens up the situations where assistance is badly needed. Assistance should be equally applied to everyone. There are currently more mobile home park closures than there are ones being opened.

CON: You should not be able to use government money to move a home within a mobile home park. The moving companies will just raise their rates. Moving a home within a park is a private act that is used by landlords to increase rent.

OTHER: Without more money in the account, this will not provide a benefit. The terms used in the bill need to be carefully defined.

Persons Testifying: PRO: Robert Cochran, Contempo MHP/Manufactured Housing Communities of WA; Craig Hillis, Manufactured Housing Communities of WA.

CON: Ishbel Dickens, Assn. of Manufactured Home Owners; Ann Logerfo, Columbia Legal Services.

OTHER: Tony Hanson, Department of Commerce.

Persons Signed In To Testify But Not Testifying: CON: Jan Sylvester, Assn. of Manufactured Home Owners (AMHO).