

ESHB 1997 - S COMM AMD
By Committee on Ways & Means

NOT CONSIDERED 12/23/2019

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 59.21.005 and 1995 c 122 s 2 are each amended to
4 read as follows:

5 The legislature recognizes that it is quite costly (~~to move a~~
6 ~~mobile home~~) for tenants who own homes in manufactured/mobile home
7 parks to relocate when the park in which they reside is closed or
8 converted to another use. Many (~~mobile home~~) such tenants need
9 financial assistance in order to (~~move their mobile homes from a~~)
10 relocate from a manufactured/mobile home park. The purpose of this
11 chapter is to provide a mechanism for assisting manufactured/mobile
12 home tenants to relocate their manufactured/mobile homes to suitable
13 alternative sites (~~when the mobile home park in which they reside is~~
14 closed or converted to another use)) or demolish and dispose of their
15 homes and secure housing.

16 "Sec. 2. RCW 59.21.010 and 2009 c 565 s 47 are each reenacted and
17 amended to read as follows:

18 Unless the context clearly requires otherwise, the definitions in
19 this section apply throughout this chapter.

20 (1) "Assignee" means an individual or entity who has agreed to
21 advance allowable relocation assistance expenses in exchange for the
22 assignment and transfer of a right to reimbursement from the fund.

23 (2) "Department" means the department of commerce.

24 (~~(2)~~) (3) "Director" means the director of the department of
25 commerce.

26 (~~(3)~~) (4) "Fund" means the manufactured/mobile home park
27 relocation fund established under RCW 59.21.050.

28 (~~(4)~~) (5) "Landlord" or "park-owner" means the owner of the
29 manufactured/mobile home park that is being closed at the time
30 relocation assistance is provided.

1 ~~((5))~~ (6) "Low-income household" means a single person, family,
2 or unrelated persons living together whose adjusted income is less
3 than eighty percent of the median family income, adjusted for
4 household size, for the county where the manufactured/mobile home is
5 located.

6 (7) "Manufactured/mobile home park" or "park" means real property
7 that is rented or held out for rent to others for the placement of
8 two or more manufactured/mobile homes for the primary purpose of
9 production of income, except where the real property is rented or
10 held out for rent for seasonal recreational purpose only and is not
11 intended for year-round occupancy.

12 ~~((6))~~ (8) "Relocate" means to do one of the following:

13 (a) Remove ~~((the))~~ a manufactured/mobile home from ~~((the))~~ a
14 manufactured/mobile home park being closed and ~~((to—either))~~
15 reinstall it in another location ~~((or to))~~; or

16 (b) Remove a manufactured/mobile home from a manufactured/mobile
17 home park being closed and demolish and dispose of it ~~((and purchase~~
18 ~~another mobile/manufactured home constructed to the standards set by~~
19 ~~the department of housing and urban development))~~ and secure other
20 housing.

21 ~~((7))~~ (9) "Relocation assistance" means the monetary assistance
22 provided under this chapter, including reimbursement for the costs of
23 relocation as well as cash assistance provided to allow the tenant to
24 secure new housing.

25 (10) "Tenant" means a person that owns a manufactured/mobile home
26 located on a rented lot in a manufactured/mobile home park.

27 **Sec. 3.** RCW 59.21.021 and 2005 c 399 s 5 are each amended to
28 read as follows:

29 (1) If a manufactured/mobile home park is closed or converted to
30 another use ~~((after December 31, 1995))~~, eligible tenants shall be
31 entitled to relocation assistance on a first-come, first-serve basis.
32 The department shall give priority for distribution of relocation
33 assistance to eligible tenants residing in parks that are closed as a
34 result of park-owner fraud or as a result of health and safety
35 concerns as determined by the local board of health. Payments shall
36 be made upon the department's verification of eligibility, subject to
37 the availability of remaining funds.

38 (2) Eligibility for relocation assistance funds is limited to
39 low-income households. ~~((As used in this section, "low-income~~

1 household" means a single person, family, or unrelated persons living
2 together whose adjusted income is less than eighty percent of the
3 median family income, adjusted for household size, for the county
4 where the mobile or manufactured home is located.

5 ~~(2) Assistance for closures occurring after December 31, 1995, is~~
6 ~~limited to persons who maintain ownership of and relocate their~~
7 ~~mobile home or who dispose of a home not relocatable to a new site.)~~

8 (3) ~~((Persons))~~ (a) Eligible tenants who ~~((removed and disposed~~
9 ~~of their mobile home or maintained ownership of and relocated their~~
10 ~~mobile homes))~~ relocate are entitled to ~~((reimbursement of actual~~
11 ~~relocation expenses))~~ financial assistance from the fund, up to a
12 maximum of twelve thousand dollars for a ~~((double-wide))~~ multisection
13 home and up to a maximum of seven thousand five hundred dollars for a
14 single-~~((wide))~~ section home. The department shall distribute
15 relocation assistance for each eligible tenant as follows:

16 (i) Up to forty percent of the total assistance may be disbursed
17 in the form of cash assistance to help the tenant secure new housing;
18 and

19 (ii) The remainder of the total assistance shall be disbursed as
20 reimbursement for costs associated with relocation.

21 (b) To receive financial assistance as provided in (a)(i) of this
22 subsection, documentation must be provided to the department that
23 demonstrates the tenant:

24 (i) Has relocated the home;

25 (ii) Has established a process to secure the relocation of the
26 home by having assigned the right to reimbursement of the relocation
27 costs and liability for such removal or demolition and disposal to
28 another entity; or

29 (iii) Has contracted to incur expenses associated with relocating
30 the home.

31 (c) If the tenant is requesting financial assistance under
32 (b)(ii) or (iii) of this subsection, the tenant, or the assignee on
33 the tenant's behalf, must submit as part of the application described
34 in RCW 59.21.050(2):

35 (i) Proof of the assignation; and

36 (ii) Evidence that the assignee is capable of fulfilling the
37 obligation itself or a contract or invoice for relocation of the home
38 executed with a vendor by the tenant or the assignee.

39 (4) Any individual or organization may apply to receive funds
40 from the ~~((mobile home park relocation))~~ fund, for use in combination

1 with funds from public or private sources, toward relocation of
2 tenants eligible under this section, with agreement from the tenant.
3 ~~((Funds received from the mobile home park relocation fund shall only
4 be used for relocation assistance expenses or other mobile/
5 manufactured home ownership expenses, that include down payment
6 assistance, if the owners are not planning to relocate their mobile
7 home as long as their original home is removed from the park.))~~

8 (5) The legislature intends the cash assistance provided under
9 subsection (3)(a)(i) of this section to be considered a one-time
10 direct grant payment that shall be excluded from household income
11 calculations for purposes of determining the eligibility of the
12 recipient for benefits or assistance under any state program financed
13 in whole or in part with state funds.

14 **Sec. 4.** RCW 59.21.025 and 1998 c 124 s 3 are each amended to
15 read as follows:

16 ~~((1))~~ If financial assistance for relocation is obtained from
17 sources other than the ~~((mobile home park relocation))~~ fund
18 ~~((established under this chapter))~~, then the relocation assistance
19 provided to any person ~~((under this chapter))~~ from the fund shall be
20 reduced as necessary to ensure that no person receives financial
21 assistance for relocation from all sources combined ~~((more than: (a)~~
22 ~~That person's actual cost of relocation; or (b) seven thousand~~
23 ~~dollars for a double-wide mobile home and three thousand five hundred~~
24 ~~dollars for a single-wide mobile home.~~

25 ~~(2) When a person receives financial assistance for relocation~~
26 ~~from a source other than the mobile home park relocation assistance~~
27 ~~fund, then the assistance received from the fund will be the~~
28 ~~difference between the maximum amount to which a person is entitled~~
29 ~~under RCW 59.21.021(3) and the amount of assistance received from the~~
30 ~~outside source.~~

31 ~~(3) If the amount of assistance received from an outside source~~
32 ~~exceeds the maximum amounts of assistance to which a person is~~
33 ~~entitled under RCW 59.21.021(3), then that person will not receive~~
34 ~~any assistance from the mobile home park relocation assistance fund))~~
35 in excess of that person's actual relocation expenses.

36 **Sec. 5.** RCW 59.21.050 and 2011 c 158 s 7 are each amended to
37 read as follows:

1 (1) (a) The existence of the manufactured/mobile home park
2 relocation fund in the custody of the state treasurer is affirmed.

3 (b) Expenditures from the fund may only be used as follows:

4 (i) Except as provided in subsection (3) of this section, all
5 moneys received from the fee as specified in RCW 46.17.155 must be
6 used only for relocation assistance awarded under this chapter.

7 (ii) All moneys received from the fee as specified in RCW
8 59.30.050 must be used only for the relocation coordination program
9 created in section 8 of this act.

10 (c) Only the director or the director's designee may authorize
11 expenditures from the fund. All relocation payments to tenants shall
12 be made from the fund. The fund is subject to allotment procedures
13 under chapter 43.88 RCW, but no appropriation is required for
14 expenditures.

15 (2) A (~~park~~) tenant is eligible for relocation assistance under
16 this chapter only after an application is submitted by that tenant or
17 an organization acting on the tenant's account under RCW 59.21.021(4)
18 on a form approved by the director (~~which~~). The application shall
19 include: (a) (~~For those persons who maintained ownership of and~~
20 ~~relocated their homes or removed their homes from the park: (i)~~) A
21 copy of the notice from the park-owner, or other adequate proof, that
22 the tenancy is terminated due to closure of the park or its
23 conversion to another use; (~~(ii)~~) (b) a copy of the rental
24 agreement then in force, or other proof that the applicant was a
25 tenant at the time of notice of closure; (~~(iii) a copy of the~~
26 ~~contract for relocating the home which includes the date of~~
27 ~~relocation, or other proof of actual)~~) (c) a statement of relocation
28 expenses expected to be incurred (~~on a date certain~~); (~~and (iv)~~)
29 (d) proof of ownership of the home at the time of notice of closure;
30 and (e) a statement of any other available assistance(~~(†)~~) received.

31 (~~(b) For those persons who sold their homes and incurred no~~
32 ~~relocation expenses: (i) A copy of the notice from the park-owner, or~~
33 ~~other adequate proof, that the tenancy is terminated due to closure~~
34 ~~of the park or its conversion to another use; (ii) a copy of the~~
35 ~~rental agreement then in force, or other proof that the applicant was~~
36 ~~a tenant at the time of notice of closure; and (iii) a copy of the~~
37 ~~record of title transfer issued by the department of licensing when~~
38 ~~the tenant sold the home rather than relocate it due to park closure~~
39 ~~or conversion.))~~)

1 (3) The department may deduct a percentage amount of the fee
2 collected under RCW 46.17.155 for administration expenses incurred by
3 the department.

4 **Sec. 6.** RCW 46.17.155 and 2010 c 161 s 511 are each amended to
5 read as follows:

6 (1) Before accepting an application for a certificate of title
7 for an original or transfer manufactured home transaction as required
8 in this title or chapter 65.20 RCW, the department, county auditor or
9 other agent, or subagent appointed by the director shall require the
10 applicant to pay a ~~((one hundred dollar))~~ fee, in accordance with
11 subsection (4) of this section, in addition to any other fees and
12 taxes required by law if the manufactured home:

13 (a) Is located in a mobile home park;

14 (b) Is one year old or older; and

15 (c) Is new or ownership changes, excluding changes that involve
16 adding or deleting spouse or domestic partner coregistered owners or
17 legal owners ~~((; and~~

18 ~~-(d) Sales price is five thousand dollars or more))~~.

19 (2) The ~~((one hundred dollar))~~ fee amount established in
20 subsection (4) of this section must be forwarded to the state
21 treasurer, who shall deposit the fee in the manufactured/mobile home
22 park relocation fund created in RCW 59.21.050.

23 (3) The department and the state treasurer may adopt rules
24 necessary to carry out this section.

25 (4) The amount of the fee that the department must collect must
26 be 0.25 percent of the sale price of the manufactured home, but in no
27 case may the fee be less than one hundred dollars or greater than
28 five hundred dollars.

29 **Sec. 7.** RCW 59.30.050 and 2013 c 144 s 42 are each amended to
30 read as follows:

31 (1) The department must register all manufactured/mobile home
32 communities, which registration must be renewed annually. Each
33 community must be registered separately. The department must mail
34 registration notifications to all known manufactured/mobile home
35 community landlords. Registration information packets must include:

36 (a) Registration forms; and

1 (b) Registration assessment information, including registration
2 due dates and late fees, and the collections procedures, liens, and
3 charging costs to tenants.

4 (2) To apply for registration or registration renewal, the
5 landlord of a manufactured/mobile home community must file with the
6 department an application for registration or registration renewal on
7 a form provided by the department and must pay a registration fee as
8 described in subsection (3) of this section. The department may
9 require the submission of information necessary to assist in
10 identifying and locating a manufactured/mobile home community and
11 other information that may be useful to the state, which must
12 include, at a minimum:

13 (a) The names and addresses of the owners of the manufactured/
14 mobile home community;

15 (b) The name and address of the manufactured/mobile home
16 community;

17 (c) The name and address of the landlord and manager of the
18 manufactured/mobile home community;

19 (d) The number of lots within the manufactured/mobile home
20 community that are subject to chapter 59.20 RCW; and

21 (e) The addresses of each manufactured/mobile home lot within the
22 manufactured/mobile home community that is subject to chapter 59.20
23 RCW.

24 (3) Each manufactured/mobile home community landlord must pay to
25 the department:

26 (a) A one-time business license application fee for the first
27 year of registration and, in subsequent years, an annual renewal
28 application fee, as provided in RCW 19.02.075; and

29 (b) An annual registration assessment of (~~ten~~) fifteen dollars
30 for each manufactured/mobile home that is subject to chapter 59.20
31 RCW within a manufactured/mobile home community. Manufactured/mobile
32 home community landlords may charge a maximum of five dollars of this
33 assessment to tenants. Nine dollars of the registration assessment
34 for each manufactured/mobile home must be deposited into the
35 manufactured/mobile home dispute resolution program account created
36 in RCW 59.30.070 to fund the costs associated with the manufactured/
37 mobile home dispute resolution program. (~~The remaining~~) One dollar
38 of the registration assessment must be deposited into the business
39 license account created in RCW 19.02.210. The remaining five dollars
40 of the registration assessment must be deposited into the

1 manufactured/mobile home park relocation fund created in RCW
2 59.21.050. The annual registration assessment must be reviewed once
3 each biennium by the department and the attorney general and may be
4 adjusted to reasonably relate to the cost of administering this
5 chapter. The registration assessment may not exceed (~~ten~~) fifteen
6 dollars, but if the assessment is reduced, the portion allocated to
7 the manufactured/mobile home dispute resolution program account
8 (~~and~~), the business license account, and the manufactured/mobile
9 home park relocation fund must be adjusted proportionately.

10 (4) Initial registrations of manufactured/mobile home communities
11 must be filed before November 1, 2007, or within three months of the
12 availability of mobile home lots for rent within the community. The
13 manufactured/mobile home community is subject to a delinquency fee of
14 two hundred fifty dollars for late initial registrations. The
15 delinquency fee must be deposited in the business license account.
16 Renewal registrations that are not renewed by the expiration date as
17 assigned by the department are subject to delinquency fees under RCW
18 19.02.085.

19 (5) Thirty days after sending late fee notices to a noncomplying
20 landlord, the department may issue a warrant under RCW 59.30.090 for
21 the unpaid registration assessment and delinquency fee. If a warrant
22 is issued by the department under RCW 59.30.090, the department must
23 add a penalty of ten percent of the amount of the unpaid registration
24 assessment and delinquency fee, but not less than ten dollars. The
25 warrant penalty must be deposited into the business license account
26 created in RCW 19.02.210. Chapter 82.32 RCW applies to the collection
27 of warrants issued under RCW 59.30.090.

28 (6) Registration is effective on the date determined by the
29 department, and the department must issue a registration number to
30 each registered manufactured/mobile home community. The department
31 must provide an expiration date, assigned by the department, to each
32 manufactured/mobile home community who registers.

33 NEW SECTION. Sec. 8. A new section is added to chapter 59.21
34 RCW to read as follows:

35 (1) A relocation coordination program is created within the
36 department for the purpose of assisting tenants of a mobile home park
37 scheduled for closure or conversion to another use with the process
38 of relocation.

1 (2) The relocation coordination program assistance may include,
2 but is not limited to, performing casework on behalf of individual
3 tenants, maintaining and distributing informational resources for
4 tenants regarding the process for relocating and disposal of
5 manufactured/mobile homes, researching and distributing current
6 information regarding available locations for manufactured/mobile
7 homes and other forms of available housing, and researching and
8 distributing information regarding other sources of financial
9 assistance that may be available to secure new housing.

10 NEW SECTION. **Sec. 9.** This section is the tax preference
11 performance statement for the tax preference contained in section 10,
12 chapter . . ., Laws of 2019 (section 10 of this act). This
13 performance statement is only intended to be used for subsequent
14 evaluation of the tax preference. It is not intended to create a
15 private right of action by any party or be used to determine
16 eligibility for preferential tax treatment.

17 (1) The legislature categorizes this tax preference as one
18 intended to induce certain designated behaviors by taxpayers, as
19 indicated in RCW 82.32.808(2) (a).

20 (2) It is the legislature's specific public policy objective to
21 preserve the affordable housing opportunities provided by existing
22 manufactured/mobile home communities. It is the legislature's intent
23 to encourage owners to sell existing communities to tenants and
24 eligible organizations by providing a real estate excise tax
25 exemption.

26 (3) To measure the effectiveness of this tax preference in
27 achieving the specific public policy objective described in
28 subsection (2) of this section, the joint legislative audit and
29 review committee must, at minimum, review the number of units of
30 housing that are preserved as a result of qualified sales of
31 manufactured/mobile home communities and the total amount of
32 exemptions claimed, as reported to the department of revenue.

33 (4) The joint legislative audit and review committee may use any
34 other data it deems necessary in performing the evaluation under this
35 section.

36 **Sec. 10.** RCW 82.45.010 and 2018 c 223 s 3 and 2018 c 221 s 1 are
37 each reenacted and amended to read as follows:

1 (1) As used in this chapter, the term "sale" has its ordinary
2 meaning and includes any conveyance, grant, assignment, quitclaim, or
3 transfer of the ownership of or title to real property, including
4 standing timber, or any estate or interest therein for a valuable
5 consideration, and any contract for such conveyance, grant,
6 assignment, quitclaim, or transfer, and any lease with an option to
7 purchase real property, including standing timber, or any estate or
8 interest therein or other contract under which possession of the
9 property is given to the purchaser, or any other person at the
10 purchaser's direction, and title to the property is retained by the
11 vendor as security for the payment of the purchase price. The term
12 also includes the grant, assignment, quitclaim, sale, or transfer of
13 improvements constructed upon leased land.

14 (2) (a) The term "sale" also includes the transfer or acquisition
15 within any twelve-month period of a controlling interest in any
16 entity with an interest in real property located in this state for a
17 valuable consideration.

18 (b) For the sole purpose of determining whether, pursuant to the
19 exercise of an option, a controlling interest was transferred or
20 acquired within a twelve-month period, the date that the option
21 agreement was executed is the date on which the transfer or
22 acquisition of the controlling interest is deemed to occur. For all
23 other purposes under this chapter, the date upon which the option is
24 exercised is the date of the transfer or acquisition of the
25 controlling interest.

26 (c) For purposes of this subsection, all acquisitions of persons
27 acting in concert must be aggregated for purposes of determining
28 whether a transfer or acquisition of a controlling interest has taken
29 place. The department must adopt standards by rule to determine when
30 persons are acting in concert. In adopting a rule for this purpose,
31 the department must consider the following:

32 (i) Persons must be treated as acting in concert when they have a
33 relationship with each other such that one person influences or
34 controls the actions of another through common ownership; and

35 (ii) When persons are not commonly owned or controlled, they must
36 be treated as acting in concert only when the unity with which the
37 purchasers have negotiated and will consummate the transfer of
38 ownership interests supports a finding that they are acting as a
39 single entity. If the acquisitions are completely independent, with
40 each purchaser buying without regard to the identity of the other

1 purchasers, then the acquisitions are considered separate
2 acquisitions.

3 (3) The term "sale" does not include:

4 (a) A transfer by gift, devise, or inheritance.

5 (b) A transfer by transfer on death deed, to the extent that it
6 is not in satisfaction of a contractual obligation of the decedent
7 owed to the recipient of the property.

8 (c) A transfer of any leasehold interest other than of the type
9 mentioned above.

10 (d) A cancellation or forfeiture of a vendee's interest in a
11 contract for the sale of real property, whether or not such contract
12 contains a forfeiture clause, or deed in lieu of foreclosure of a
13 mortgage.

14 (e) The partition of property by tenants in common by agreement
15 or as the result of a court decree.

16 (f) The assignment of property or interest in property from one
17 spouse or one domestic partner to the other spouse or other domestic
18 partner in accordance with the terms of a decree of dissolution of
19 marriage or state registered domestic partnership or in fulfillment
20 of a property settlement agreement.

21 (g) The assignment or other transfer of a vendor's interest in a
22 contract for the sale of real property, even though accompanied by a
23 conveyance of the vendor's interest in the real property involved.

24 (h) Transfers by appropriation or decree in condemnation
25 proceedings brought by the United States, the state or any political
26 subdivision thereof, or a municipal corporation.

27 (i) A mortgage or other transfer of an interest in real property
28 merely to secure a debt, or the assignment thereof.

29 (j) Any transfer or conveyance made pursuant to a deed of trust
30 or an order of sale by the court in any mortgage, deed of trust, or
31 lien foreclosure proceeding or upon execution of a judgment, or deed
32 in lieu of foreclosure to satisfy a mortgage or deed of trust.

33 (k) A conveyance to the federal housing administration or
34 veterans administration by an authorized mortgagee made pursuant to a
35 contract of insurance or guaranty with the federal housing
36 administration or veterans administration.

37 (l) A transfer in compliance with the terms of any lease or
38 contract upon which the tax as imposed by this chapter has been paid
39 or where the lease or contract was entered into prior to the date
40 this tax was first imposed.

1 (m) The sale of any grave or lot in an established cemetery.

2 (n) A sale by the United States, this state or any political
3 subdivision thereof, or a municipal corporation of this state.

4 (o) A sale to a regional transit authority or public corporation
5 under RCW 81.112.320 under a sale/leaseback agreement under RCW
6 81.112.300.

7 (p) A transfer of real property, however effected, if it consists
8 of a mere change in identity or form of ownership of an entity where
9 there is no change in the beneficial ownership. These include
10 transfers to a corporation or partnership which is wholly owned by
11 the transferor and/or the transferor's spouse or domestic partner or
12 children of the transferor or the transferor's spouse or domestic
13 partner. However, if thereafter such transferee corporation or
14 partnership voluntarily transfers such real property, or such
15 transferor, spouse or domestic partner, or children of the transferor
16 or the transferor's spouse or domestic partner voluntarily transfer
17 stock in the transferee corporation or interest in the transferee
18 partnership capital, as the case may be, to other than (i) the
19 transferor and/or the transferor's spouse or domestic partner or
20 children of the transferor or the transferor's spouse or domestic
21 partner, (ii) a trust having the transferor and/or the transferor's
22 spouse or domestic partner or children of the transferor or the
23 transferor's spouse or domestic partner as the only beneficiaries at
24 the time of the transfer to the trust, or (iii) a corporation or
25 partnership wholly owned by the original transferor and/or the
26 transferor's spouse or domestic partner or children of the transferor
27 or the transferor's spouse or domestic partner, within three years of
28 the original transfer to which this exemption applies, and the tax on
29 the subsequent transfer has not been paid within sixty days of
30 becoming due, excise taxes become due and payable on the original
31 transfer as otherwise provided by law.

32 (q) (i) A transfer that for federal income tax purposes does not
33 involve the recognition of gain or loss for entity formation,
34 liquidation or dissolution, and reorganization, including but not
35 limited to nonrecognition of gain or loss because of application of
36 26 U.S.C. Sec. 332, 337, 351, 368(a)(1), 721, or 731 of the internal
37 revenue code of 1986, as amended.

38 (ii) However, the transfer described in (q) (i) of this subsection
39 cannot be preceded or followed within a twelve-month period by
40 another transfer or series of transfers, that, when combined with the

1 otherwise exempt transfer or transfers described in (q)(i) of this
2 subsection, results in the transfer of a controlling interest in the
3 entity for valuable consideration, and in which one or more persons
4 previously holding a controlling interest in the entity receive cash
5 or property in exchange for any interest the person or persons acting
6 in concert hold in the entity. This subsection (3)(q)(ii) does not
7 apply to that part of the transfer involving property received that
8 is the real property interest that the person or persons originally
9 contributed to the entity or when one or more persons who did not
10 contribute real property or belong to the entity at a time when real
11 property was purchased receive cash or personal property in exchange
12 for that person or persons' interest in the entity. The real estate
13 excise tax under this subsection (3)(q)(ii) is imposed upon the
14 person or persons who previously held a controlling interest in the
15 entity.

16 (r) A qualified sale of a manufactured/mobile home community, as
17 defined in RCW 59.20.030(~~(, that takes place on or after June 12,~~
18 ~~2008, but before December 31, 2018)~~).

19 (s)(i) A transfer of a qualified low-income housing development
20 or controlling interest in a qualified low-income housing
21 development, unless, due to noncompliance with federal statutory
22 requirements, the seller is subject to recapture, in whole or in
23 part, of its allocated federal low-income housing tax credits within
24 the four years prior to the date of transfer.

25 (ii) For purposes of this subsection (3)(s), "qualified low-
26 income housing development" means real property and improvements in
27 respect to which the seller or, in the case of a transfer of a
28 controlling interest, the owner or beneficial owner, was allocated
29 federal low-income housing tax credits authorized under 26 U.S.C.
30 Sec. 42 or successor statute, by the Washington state housing finance
31 commission or successor state-authorized tax credit allocating
32 agency.

33 (iii) This subsection (3)(s) does not apply to transfers of a
34 qualified low-income housing development or controlling interest in a
35 qualified low-income housing development occurring on or after July
36 1, 2035.

37 (iv) The Washington state housing finance commission, in
38 consultation with the department, must gather data on: (A) The fiscal
39 savings, if any, accruing to transferees as a result of the exemption
40 provided in this subsection (3)(s); (B) the extent to which

1 transferors of qualified low-income housing developments receive
2 consideration, including any assumption of debt, as part of a
3 transfer subject to the exemption provided in this subsection (3)(s);
4 and (C) the continued use of the property for low-income housing. The
5 Washington state housing finance commission must provide this
6 information to the joint legislative audit and review committee. The
7 committee must conduct a review of the tax preference created under
8 this subsection (3)(s) in calendar year 2033, as required under
9 chapter 43.136 RCW.

10 (t)(i) A qualified transfer of residential property by a legal
11 representative of a person with developmental disabilities to a
12 qualified entity subject to the following conditions:

13 (A) The adult child with developmental disabilities of the
14 transferor of the residential property must be allowed to reside in
15 the residence or successor property so long as the placement is safe
16 and appropriate as determined by the department of social and health
17 services;

18 (B) The title to the residential property is conveyed without the
19 receipt of consideration by the legal representative of a person with
20 developmental disabilities to a qualified entity;

21 (C) The residential property must have no more than four living
22 units located on it; and

23 (D) The residential property transferred must remain in continued
24 use for fifty years by the qualified entity as supported living for
25 persons with developmental disabilities by the qualified entity or
26 successor entity. If the qualified entity sells or otherwise conveys
27 ownership of the residential property the proceeds of the sale or
28 conveyance must be used to acquire similar residential property and
29 such similar residential property must be considered the successor
30 for continued use. The property will not be considered in continued
31 use if the department of social and health services finds that the
32 property has failed, after a reasonable time to remedy, to meet any
33 health and safety statutory or regulatory requirements. If the
34 department of social and health services determines that the property
35 fails to meet the requirements for continued use, the department of
36 social and health services must notify the department and the real
37 estate excise tax based on the value of the property at the time of
38 the transfer into use as residential property for persons with
39 developmental disabilities becomes immediately due and payable by the

1 qualified entity. The tax due is not subject to penalties, fees, or
2 interest under this title.

3 (ii) For the purposes of this subsection (3)(t) the definitions
4 in RCW 71A.10.020 apply.

5 (iii) A "qualified entity" is:

6 (A) A nonprofit organization under Title 26 U.S.C. Sec. 501(c)(3)
7 of the federal internal revenue code of 1986, as amended, as of June
8 7, 2018, or a subsidiary under the same taxpayer identification
9 number that provides residential supported living for persons with
10 developmental disabilities; or

11 (B) A nonprofit adult family home, as defined in RCW 70.128.010,
12 that exclusively serves persons with developmental disabilities.

13 (iv) In order to receive an exemption under this subsection
14 (3)(t) an affidavit must be submitted by the transferor of the
15 residential property and must include a copy of the transfer
16 agreement and any other documentation as required by the department.

17 NEW SECTION. **Sec. 11.** Section 10 of this act expires January 1,
18 2030."

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By Committee on Ways & Means

NOT CONSIDERED 12/23/2019

19 On page 1, line 1 of the title, after "homes;" strike the
20 remainder of the title and insert "amending RCW 59.21.005, 59.21.021,
21 59.21.025, 59.21.050, 46.17.155, and 59.30.050; reenacting and
22 amending RCW 59.21.010 and 82.45.010; adding a new section to chapter
23 59.21 RCW; creating a new section; and providing an expiration date."

EFFECT: Adds provisions from the Housing Stability and
Affordability committee striker on E2SHB 1033 relating to changes to
the Relocation Assistance Program for displaced tenants after a
mobile home park closure. Specifically, the provisions:

(1) Authorize manufactured/mobile home park tenants seeking
relocation assistance from the Mobile and Manufactured Home
Relocation Assistance Program (Relocation Assistance Program) to
receive other funding for relocation purposes without reducing their
eligibility for relocation assistance funds.

(2) Require that a manufactured/mobile home park tenant's
combined relocation assistance from the Relocation Assistance Program
and other sources not exceed the tenant's actual relocation expenses.

(3) Authorize qualifying manufactured/mobile home park tenants to use Relocation Assistance Program funds to secure housing that is not a manufactured home.

(4) Require the Department of Commerce to distribute, for each eligible tenant, up to 40 percent of the total financial assistance as cash assistance to help the tenant secure new housing and the remainder as reimbursement for costs associated with relocation.

(5) Clarify that cash assistance provided under the Relocation Assistance Program is considered a one-time direct grant payment and is excluded from household income calculations to determine eligibility of the recipient to receive benefits from any other state-funded assistance programs.

(6) Rename the mobile home park relocation fund as the manufactured/mobile home park relocation fund.

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