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SECOND SUBSTITUTE HOUSE BILL 1083

State of Washington 67th Legislature 2021 Regular Session

By House Appropriations (originally sponsored by Representatives Gregerson, Peterson, Wylie, Bateman, Tharinger, Ramel, Ortiz-Self, Valdez, Kloba, Morgan, Chopp, Ormsby, Santos, Macri, Orwall, Bergquist, Pollet, and Harris-Talley)

READ FIRST TIME 02/15/21.

- 1 AN ACT Relating to relocation assistance for tenants of closed or
- 2 converted manufactured/mobile home parks; amending RCW 59.21.005,
- 3 59.21.021, and 59.21.050; and repealing RCW 59.21.025.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 59.21.005 and 2019 c 390 s 1 are each amended to 6 read as follows:
- 7 The legislature recognizes that it is quite costly for tenants

who own homes in manufactured/mobile home parks to relocate when the

- 9 park in which they reside is closed or converted to another use. Many
- 10 such tenants need financial assistance in order to relocate from a
- 11 manufactured/mobile home park. The purpose of this chapter is to
- 12 provide a mechanism for assisting manufactured/mobile home tenants to
- 13 relocate their manufactured/mobile homes to suitable alternative
- 14 sites or (($\frac{\text{demolish}}{\text{and}}$ $\frac{\text{dispose}}{\text{of}}$ $\frac{\text{their homes}}{\text{and}}$)) $\frac{\text{to}}{\text{secure}}$
- 15 <u>alternative</u> housing <u>of their choice</u>.
- 16 **Sec. 2.** RCW 59.21.021 and 2019 c 390 s 3 are each amended to read as follows:
- 18 (1) If a manufactured/mobile home park is, or is scheduled to be
- 19 closed or converted to another use, eligible tenants shall be
- 20 entitled to relocation assistance on a first-come, first-serve basis.

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- The department shall give priority for distribution of relocation assistance to eligible 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 shall be made upon the department's verification of eligibility, subject to the availability of remaining funds.
- (2) Eligibility for relocation assistance funds is limited to low-income households in manufactured/mobile home parks that are, or are scheduled to be, closed or converted to another use.
- (3)(((a))) Eligible tenants ((who relocate)) are entitled to financial assistance from the fund, up to a maximum of ((twelve thousand dollars)) \$16,000 for a multisection home and up to a maximum of ((seven thousand five hundred dollars)) \$10,000 for a single-section home. The department shall distribute relocation assistance for each eligible tenant ((as follows:
- (i) Up to forty percent of the total assistance may be disbursed)) in the form of cash assistance to help the tenant secure ((new)) alternative housing((; and
- (ii) The remainder of the total assistance shall be disbursed as reimbursement for costs associated with relocation.
- (b) To receive financial assistance as provided in (a)(i) of this subsection, documentation must be provided to the department that demonstrates the tenant:
 - (i) Has relocated the home;

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- (ii) Has established a process to secure the relocation of the home by having assigned the right to reimbursement of the relocation costs and liability for such removal or demolition and disposal to another entity; or
- 29 (iii) Has contracted to incur expenses associated with relocating 30 the home.
- 32 (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):
 - (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) <u>Within 90 days of receiving financial assistance as provided</u> 40 in subsection (3) of this section, the tenant must either transfer

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title of the manufactured/mobile home to the park-owner or secure relocation of the home.

- (a) Eligible tenants, based on a methodology approved by the department, whose household adjusted income is at or below 50 percent of the median family income, adjusted for household size, for the county where the manufactured/mobile home is located, shall receive the maximum relocation assistance permitted per home size.
- (i) When the park-owner provides evidence that the title transfer has been completed, the department shall provide additional assistance to the park-owner for demolition and disposal of the manufactured/mobile home up to \$4,000 for a multisection home and \$2,500 for a single-section home.
- (ii) To receive the assistance for demolition and disposal, the park-owner must demonstrate that the park-owner has incurred or contracted to incur expenses associated with demolishing the home.
- (b) Eligible tenants, based on a methodology approved by the department, whose household adjusted income is more than 50 percent of the median family income, adjusted for household size, for the county where the manufactured/mobile home is located, shall receive 85 percent of the relocation assistance permitted per home size. The department shall provide the remaining 15 percent of the relocation assistance to the park-owner for demolition and disposal of the home after the park-owner has provided evidence that the title transfer has been completed and demonstrated that he or she has incurred or contracted to incur expenses associated with demolishing the home.
- (c) Eligible tenants who secure relocation of the home and do not transfer title to the park-owner shall receive the maximum relocation assistance permitted, regardless of household adjusted income.
- (5) Any individual or organization may apply to receive ((funds)) relocation assistance from the fund, for use in combination with funds from public or private sources, toward relocation of tenants eligible under this section, with agreement from the tenant.
- (((5))) (6) The legislature intends the cash assistance provided under subsection (3)(((a)(i))) of this section to be considered a one-time direct grant payment that shall be excluded from household income calculations for purposes of determining the eligibility of the recipient for benefits or assistance under any state program financed in whole or in part with state funds.

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Sec. 3. RCW 59.21.050 and 2019 c 390 s 5 are each amended to read as follows:

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- (1) (a) The existence of the manufactured/mobile home park relocation fund in the custody of the state treasurer is affirmed.
 - (b) Expenditures from the fund may only be used as follows:
- (i) Except as provided in subsection (3) of this section, all moneys received from the fee as specified in RCW 46.17.155 must be used only for relocation assistance awarded under this chapter.
- 9 (ii) All moneys received from the fee as specified in RCW 59.30.050 must be used only for the relocation coordination program 11 created in RCW 59.21.120.
 - (c) Only the director or the director's designee may authorize expenditures from the fund. All relocation payments to tenants shall be made from the fund. The fund is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures.
 - (2) A tenant is eligible for relocation assistance under this chapter only after an application is submitted by that tenant or an organization acting on the tenant's account under RCW $59.21.021((\frac{4}{(4)}))$ on a form approved by the director. The application shall include: (a) A copy of the notice from the parkowner, or other adequate proof, that the tenancy is terminated due to closure of the park or its conversion to another use; (b) a copy of the rental agreement then in force, or other proof that the applicant was a tenant at the time of notice of closure; (c) ((a statement of relocation expenses expected to be incurred; (d))) proof of ownership of the home at the time of notice of closure; ((and (e))) a statement, on a form approved by the department, of ((any other available assistance received)) whether the tenant will transfer title of the home to the park-owner or relocate the home within 90 days of receiving relocation assistance; and (e) other information as may be required by the department to process the application.
- 33 (3) The department may deduct a percentage amount of the fee 34 collected under RCW 46.17.155 for administration expenses incurred by 35 the department.

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- 1 <u>NEW SECTION.</u> **Sec. 4.** RCW 59.21.025 (Relocation assistance—
- 2 Sources other than fund—Reductions) and 2019 c 390 s 4, 1998 c 124 s
- 3 3, & 1995 c 122 s 6 are each repealed.

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