

SENATE BILL REPORT

HB 1771

As of March 10, 2023

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

Brief Description: Concerning relocation assistance for tenants of closed or converted manufactured/mobile home parks.

Sponsors: Representatives Donaghy, Gregerson, Ramel, Morgan, Fosse, Reed, Ormsby, Doglio, Peterson and Pollet.

Brief History: Passed House: 2/28/23, 97-0.

Committee Activity: Housing: 3/10/23.

Brief Summary of Bill

- Extends the time period in which tenants who have received initial cash relocation assistance under the Mobile Home Relocation Assistance Program (Program) must transfer title, relocate the home, or demolish and dispose of the home to receive the remainder of eligible relocation assistance.
- Removes an exclusion from the Program for tenants who receive additional assistance from an outside source that exceeds the maximum amount of assistance to which the tenant is entitled under the Program.

SENATE COMMITTEE ON HOUSING

Staff: Riley Benge (786-7316)

Background: Office of Mobile and Manufactured Home Relocation Assistance. The Office of Mobile/Manufactured Home Relocation Assistance (Office), in the Department of Commerce (Commerce), provides general assistance to manufactured/mobile home resident

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organizations, tenant organizations, and manufactured/mobile home community owners. The Office provides technical assistance to tenants who are converting a mobile home park to resident ownership and provides financial assistance to homeowners under the Mobile Home Relocation Assistance Program (Program) when mobile home parks close or are converted to another use.

Mobile Home Relocation Assistance Program. The Program, administered by the Office, provides financial assistance on a first-come, first-served basis to low-income persons owning mobile homes in mobile home parks scheduled for closure or conversion to another use. Payments are made by the Office upon verification of eligibility and subject to the availability of funds. Tenants residing in parks closed because of park-owner fraud or health and safety concerns are given priority to available funds. To be eligible for the Program:

- the tenant must reside in the mobile home park at the time a closure notice is issued; and
- the tenant's household income must be no greater than 80 percent of the median family income for the county where the mobile or manufactured home is located.

Eligible tenants may receive up to a maximum of \$17,000 for a multi-section home and \$11,000 for a single-section home. Tenants who qualify for assistance will receive \$12,000 for a multi-section home, and \$8,000 for a single section home, in the form of cash assistance to relocate the home or secure alternative housing. To receive the remainder of eligible assistance, tenants must, within 90 days of receiving the initial cash assistance:

- transfer title of the manufactured mobile home to the park-owner;
- relocate the home; or
- demolish and dispose of the home.

If a tenant does not relocate or demolish and dispose of the home within the 90 day period after receiving assistance, the park-owner may seek reimbursement from the fund in the amount of \$4,000 for a multi-section home and \$2,500 for a single-section home.

Any cash assistance provided under the Program is considered a onetime direct grant payment and must be excluded from household income calculations to determine eligibility of the recipient to receive benefits from any other state-funded assistance programs.

If a tenant receives assistance for relocation from a source other than the Program, the assistance provided under the Program must be reduced to ensure no tenant receives from all sources combined, more than the maximum amounts of assistance to which they are entitled under the Program.

Summary of Bill: The time period in which tenants have to transfer title to the park owner, relocate the home, or demolish and dispose of the home to receive the remainder of eligible assistance is extended from within 90 days of the tenant receiving the initial cash assistance to until the park closure date. Tenants who remove their home on or before the park closure date and reinstall the home in another location within 12 months after the closure date are

also eligible to receive the remainder of eligible assistance.

The definition of relocate is expanded to include removing a manufactured/mobile home from a manufactured/mobile home park being closed by selling or gifting the home to a third party and securing other housing. Under the new definition, a third party means a person or persons who purchase or are gifted a tenants home, with the condition that they are responsible for removing the home on or prior to the park closure date and relocating the home either by removing it and reinstalling it in another location, or removing it by demolishing and disposing of it. Third parties are not entitled to relocation assistance related to relocation of the purchased or gifted home.

The exclusion from relocation assistance eligibility for tenants receiving assistance from an outside source that exceeds the maximum amounts of assistance to which they are entitled under the Program is removed.

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 bill adjusts a timeline issue related to the manufactured mobile home relocation assistance program administered by the Department of Commerce. The financial assistance for residents comes from fees collected when a home is purchased and a portion of the community owner's annual registration with the Department of Revenue. This is a great concept, but hasn't been able to be fully realized. Many people have request the relocation assistance, but are unable to complete the necessary steps to receive the assistance within the allowable time frame. The 90-day window for a resident to relocate, transfer title, or dispose of their mobile home during a park closure and has caused issue with applicants. In particular, the issue of moving and reinstalling a mobile home to a new park is difficult to achieve in a 90-day window. This bill increases the timeframe so that people can actually take advantage of the assistance program.

Persons Testifying: PRO: Representative Brandy Donaghy, Prime Sponsor; Dave Pringle, Department of Commerce.

Persons Signed In To Testify But Not Testifying: No one.