

HOUSE BILL REPORT

ESSB 5703

As Reported by House Committee On:

Commerce & Labor

Title: An act relating to alterations of mobile homes.

Brief Description: Directing a study to be conducted of mobile/manufactured home alteration and repair permit problems.

Sponsors: By Senate Committee on Labor, Commerce & Financial Institutions (originally sponsored by Senators Hargrove and Winsley).

Brief History:

Committee Activity:

Commerce & Labor: 3/27/01, 3/30/01 [DPA].

Brief Summary of Engrossed Substitute Bill (As Amended by House Committee)

- Creates a Joint Legislative Task Force to review the regulation of manufactured and mobile homes and the problems associated with alterations and make recommendations before the 2002 legislative session.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass as amended. Signed by 8 members: Representatives Clements, Republican Co-Chair; Conway, Democratic Co-Chair; B. Chandler, Republican Vice Chair; Wood, Democratic Vice Chair; Hunt, Kenney, Lisk and McMorris.

Staff: Chris Cordes (786-7103).

Background:

The Department of Labor and Industries is responsible for adopting and enforcing rules governing the safety of body and frame design and the installation of plumbing, heating, and electrical equipment in manufactured and mobile homes. The department's rules conform with rules adopted under the National Manufactured Housing Construction and Safety Standards Act of 1974, a federal law that preempts inconsistent state laws

regarding the manufacture of a manufactured home. Leasing or selling a manufactured or mobile home that does not comply with the department's rules is prohibited.

Plans and specifications for models or production prototypes of manufactured homes must be submitted to the department for approval. Once the plans have been approved, changes or alterations may not be made to the body and frame design, construction, plumbing, heating, or electrical installations without the department's prior written approval.

By department rule, alterations that must have prior approval include replacement, addition, modification, or removal of any equipment or installation that affects the construction, planning considerations, fire safety, or the plumbing, mechanical, or electrical systems of the manufactured or mobile home. Alterations do not include:

- repairs to equipment with approved parts, or adjustment and maintenance of equipment.
- modification of a fuel-burning appliance according the listing agency's specifications.

Under emergency rules adopted March 22, 2001, the department may grant a variance from these requirements for alterations initiated after the expiration of written warranties. The new rules require a homeowner who sells the home to disclose alterations performed by a previous owner and any variances granted by the department.

Summary of Amended Bill:

A Joint Legislative Task Force is created to review the regulation of manufactured and mobile homes under the Department of Labor and Industries's authority. The task force membership consists of representatives of manufactured/mobile homeowners, manufactured/mobile home mortgage lenders, manufactured/mobile manufacturers and retailers, realtors, the electrical and plumbing trades, the Department of Labor and Industries, other state or local government agencies as needed, and four legislative members, one from each caucus of the Senate Labor, Commerce & Financial Insurance Committee and the House Commerce & Labor Committee. The study must address:

- the problem with alterations that many homeowners have made without obtaining the required permits;
- the costs associated with obtaining the required permits, particularly if an engineering analysis is required;
- the possibility of reducing the number of alterations that require a permit, consistent with public health and safety considerations;
- the appropriateness of the current legal sanction for failure to obtain a permit; and
- changes in the law that can assist homeowners in the proper and economical maintenance of the home and the protection of their equity.

The task force must report its findings and recommendations to the Legislature by January 1, 2002.

Amended Bill Compared to Engrossed Substitute Bill:

The amendment changes the Senate committee study to a study by a Joint Legislative Task Force with additional members, including legislative members and members representing the manufacturers and retailers of manufactured/mobile homes, realtors, and the electrical and plumbing trades.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: The Department of Labor and Industries has made great progress in addressing the consumer problems that were brought to the Legislature's attention. The adoption of a new rule and provision of inspector training and brochures that clarify the alteration rule are good steps. A study would bring all the parties to the table to clarify the problems and explore options for long-term solutions. The Legislature should also consider including language in the bill that adopts the department's new rule in statute.

Testimony Against: The House version is better because it would provide more protection to consumers and restrict regulation by the Department of Labor and Industries.

Testified: (In support) Bob Mitchell, Washington Association of Realtors; Patrick Woods and Dan Sevcik, Department of Labor and Industries; Mike Ryherd, Washington Manufactured Housing Association; and Mark Triplett, Washington Association of Building Officials.

(In support, with concerns) Julie Murray, King County; Dick King, International Brotherhood of Electrical Workers; and Dan Sexton, Washington State Association of Plumbers and Steamfitters.

(Opposed) George Sumner.