

Individual State Agency Fiscal Note

Bill Number: 1791 S HB	Title: Mobile home park managers	Agency: 103-Community, Trade & Economic Develop
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

FUND	FY 2002	FY 2003	2001-03	2003-05	2005-07
General Fund-Private/Local 001-7				68,250	68,250
Total \$				68,250	68,250

Estimated Expenditures from:

	FY 2002	FY 2003	2001-03	2003-05	2005-07
FTE Staff Years	0.0	0.5	0.3	0.5	0.5
Fund					
General Fund-State 001-1	0	38,753	38,753	0	0
General Fund-Private/Local 001-7	0	0	0	68,250	68,250
Total \$	0	38,753	38,753	68,250	68,250

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☐ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☒ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☒ Requires new rule making, complete Part V.

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Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe, by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Adds a new chapter to Title 18 RCW, Business and Professions, to include certification of resident managers of mobile home parks and makes an appropriation.

Section 3 requires that mobile homes parks with more than 25 lots be managed by a person who has received a certificate of registration from the Department of Community, Trade and Economic Development (CTED). A park manager hired following enactment has 90 days to receive certification.

Section 4 establishes criteria to become a mobile home park manager. CTED is required to design and implement a written application procedure, approve a training course for mobile home park managers, approve an examination, establish criteria for qualifying continuing education and certificate renewal, review and approve continuing education, and issue certificates.

Section 5 requires CTED to contract with a trade association for delivery of all training courses, which must be approved by CTED.

Section 6 requires CTED to administer and enforce this chapter in consultation with an advisory council, including adoption of necessary rules.

Section 7 requires CTED to create an advisory council on mobile home park manager training and certification. CTED is to serve as a non-voting chair of the five-member council and provide adequate staff support to fulfill council duties, including rule development and approval of program curriculum and process travel reimbursements.

Section 8 authorizes CTED to charge reasonable fees for services including fees for application and renewal and certification training costs.

Section 9 provides that Sections 3 and 4 take effect January 1, 2003.

Section 11 appropriates \$35,000 from the general fund by June 30, 2003.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

Section 6: No cash receipts impact as the bill assumes expenditures to enforce this chapter but does not allow a monetary penalty or fine to be assessed.

Section 8: CTED will establish reasonable fees by rule for course application, certification and renewal. In order to sustain the program on revenue from application fees, and at costs the industry will support, it is assumed for the purposes of this fiscal note that a flat fee of \$35 will be charged for each initial certification and renewal processing. Fees will be adjusted per rule with the advisory council if needed to maintain the program in subsequent years.

While data is not officially collected about the number of mobile home parks in Washington State, for the purposes of implementing this bill it is estimated that a total of 1,950 park managers will require manager training and certification. While new park managers hired after the effective date of this bill are required to obtain certification within 90 days, there is no deadline by which current park managers are required to obtain certification.

FY 03 estimated total costs will be \$38,753 and only \$35,000 is appropriated by this bill, leaving a deficit of \$3,753. It is

assumed for the purposes of this fiscal note that the Legislature will appropriate the additional funds.

FY 04, FY 05, FY 06 and FY 07 assumes total cash receipts impact of \$34,125 from application fees for park manager training applications.

An application fee of \$35.00 would be required to cover the costs of application and certificate processing, distribution and tracking (includes identifying requirement for training, monitoring and notification of renewal, etc.). It is assumed that fifteen trainings at 65 attendees each year will be scheduled, for a total annual revenue of \$34,125. The thirty trainings per biennium will train and certify all 1,950 park managers.

It is assumed that public education of the requirement will have produced an interest level that should allow complete training by the end of FY 05. While the turnover rate of park managers is unknown, it is assumed that attrition will be offset by certified managers filling vacant positions. Per the bill’s intent, cash receipts figures assume fees will be established by rule with the advisory council to cover the costs of expenses detailed in section II. C - Expenditures.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Section 3: Assumes expenditure impacts to research, design public education information, select and notify mobile home parks with 25 or more lots of their requirement to receive training and certification. Costs would also include: establishing a method to collect park data and customize an existing database to accommodate the new program requirements and establishing a register of certified mobile home park managers that is accessible to the public. Of the estimated 2,600 mobile home parks it is estimated that 75 percent (1,950) have 25 or more lots. This assumption is based upon an unofficial list compiled by CTED’s Office of Manufactured Housing and includes data from County Assessors’ offices, telephone directories, and a 1992 Foremost Insurance Company report.

Section 4: Assumes expenditures to work with the advisory council in the following areas: 1) design and implement a written application procedure, 2) approve a training course for managers, and 3) develop the examination for applicants, 4) review and approve continuing education criteria, 5) issue certificates to qualified applicants, and 6) issue annual renewal certificates.

Section 5: Assumes expenditures to negotiate a contract with a trade association for delivery of all training courses. Assumes the trade association will charge and collect fees for the costs of conducting the training course and any related training materials. While CTED is required to approve the training curriculum, the agency will not be reimbursing the association for conducting the trainings.

Section 6: Assumes an expenditure impact to administer and enforce this chapter, including adoption of necessary rules.

Section 7: Assumes expenditure impact to work with the advisory council to: 1) establish a five-person council appointed for two years, 2) establish operating procedures for council responsibilities, 3) determine rules for the certification program, 4) conduct advisory council meetings and reimburse members for travel expenses and 5) provide adequate staff to support and chair the advisory council.

FY 03 assumes the costs to implement start-up activities will require a total of .50 FTE for an Office Assistant Senior and a Program Coordinator 2. Assumes total salaries costs of \$19,749 and total benefits costs of \$4,937. Assumes goods and services costs of \$9,257. Assumes travel costs of \$4,810 to establish an accurate list of mobile home parks with 25 or more spaces in Washington, implement rule-setting hearings, and attend advisory council meetings. Estimated total costs will be \$38,753 and only \$35,000 is appropriated by this bill, leaving a deficit of \$3,753. It is assumed for the purposes of this fiscal note that the Legislature will appropriate the additional funds.

FY 04, FY 05, FY 06 and FY 07, program is maintained each year with .25 FTE of a Program Coordinator 2 to chair

on-going council meetings, establish an alternative dispute resolution system for enforcement, and for on-going approval of continuing education materials. A .25 FTE Office Assistant Senior is maintained each year for general administration of the program, including database tracking and notification of renewal requirements, issuing certificates, reimbursing council travel, etc. Assumes salaries costs at \$19,749, total benefits costs of \$4,937, goods and services costs at \$9,257 for indirect costs, and travel costs of \$182 for attending council meetings.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2002	FY 2003	2001-03	2003-05	2005-07
FTE Staff Years		0.50	0.3	0.5	0.5
A-Salaries and Wages		19,749	19,749	39,498	39,498
B-Employee Benefits		4,937	4,937	9,874	9,874
C-Personal Service Contracts					
E-Goods and Services		9,257	9,257	18,514	18,514
G-Travel		4,810	4,810	364	364
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
Total:	\$0	\$38,753	\$38,753	\$68,250	\$68,250

III. B - Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2002	FY 2003	2001-03	2003-05	2005-07
Office Assistant Senior	29,616		0.3	0.1	0.3	0.3
Program Coordinator 2	49,380		0.3	0.1	0.3	0.3
Total FTE's			0.5	0.2	0.6	0.6

III. C - Expenditures By Program (optional)

Program	FY 2002	FY 2003	2001-03	2003-05	2005-07
Administration (100)		9,257	9,257	18,514	18,514.00
Housing (400)		29,496	29,496	49,736	49,736.00
Total \$		38,753	38,753	68,250	68,250

Part IV: Capital Budget Impact

N/A

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

Section 6 authorizes CTED to adopt rules necessary to interpret, implement and enforce this chapter. Rules would be necessary to establish application fees, certification renewal fees, criteria for allowable continuing education requirements, and to establish enforcement procedures.