

Individual State Agency Fiscal Note

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| Bill Number: 6059 SB | Title: Mobile home community sales | Agency: 103-Department of Commerce |
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Estimated Capital Budget Impact:

NONE

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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| Legislative Contact: Samantha Doyle | Phone: 360-786-7335 | Date: 01/09/2024 |
| Agency Preparation: Hayley Tresenriter | Phone: 360-725-3042 | Date: 01/12/2024 |
| Agency Approval: Hayley Tresenriter | Phone: 360-725-3042 | Date: 01/12/2024 |
| OFM Review: Cheri Keller | Phone: (360) 584-2207 | Date: 01/12/2024 |

Part II: Narrative Explanation

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

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

Sec. 2 amends RCW 59.20.325.

Sec. 2 (3) (a) adds a mailing/delivery date to the notice of opportunity to compete to purchase – the date the notice was mailed by certified mail or personally delivered to all required recipients as noted in subsection (2), including the department (Commerce).

Sec. 2 (3) (d) amends the content of the notice of opportunity to compete to purchase with a mailing/delivery date.

Sec. 3 amends RCW 59.20.330.

Sec. 3 (6) requires eligible organizations to notify owners, qualified organizations, and the Department of Commerce if it does not intend to make an offer to compete to purchase.

Sec. 5 amends RCW 59.21.030.

Sec. 5 (1) adds the director's designee as the department's recipient of the closure notice required in RCW 59.20.080.

Sec. 6 amends RCW 59.21.040.

Sec. 6 (3) removes the exemption for relocation assistance from tenants who receive assistance from an outside source that exceeds the maximum amount of assistance under RCW 59.21.021 (3).

The activities stated in SB 6059 are already part of normal operating procedures within the department. Therefore, there is no fiscal impact on the Department of Commerce.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

The fiscal impacts from the changes in Section 3(6) are indeterminate at this time; the Department of Commerce assumes no administrative or technical impact to implement the provisions of this bill. The activities stated in these sections are already part of normal operating and support procedures within the Manufactured/Mobile Home Relocation Assistance Program.

The department assumes the proposed amendment will provide an opportunity for eligible tenants and associated landlords (community owners) to receive the maximum amount of assistance available from the Manufactured/Mobile Home Park Relocation Fund (RCW 59.21.050). There is potential for the funds to not meet administrative or financial assistance demands if the fund balance and expenditure authority do not keep pace with the number of closures and impacted households. Commerce may request an expenditure authority increase if demands outpace authority and if the fund balance supports an increase.

Current State:

- The fund has a \$4 million balance
- The 2023-2025 Expenditure Authority is \$2 million
- The maximum outstanding assistance may total \$280,000 through FY24
- The program has not received notices of closure beyond April 2024

Known factors:

The maximum award is \$25,500 (multi-section home), up to \$17,000 cash for an eligible household, and \$8,500 for the associated community owner to demolish and dispose of a home if not removed from the closing community.

Eligible households with single-section homes are eligible for up to \$11,000 in cash assistance; associated community owners are eligible for up to \$5,500 for demolition and disposal of a home not removed from the community.

Unknowns:

The program does not know how many more households may qualify for the exemption removal. Because the number of qualifying households is unknown, the fiscal impacts from the changes in Section 3(6) are indeterminate.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Non-zero but indeterminate cost and/or savings. Please see discussion.

III. B - Expenditures by Object Or Purpose

Non-zero but indeterminate cost and/or savings. Please see discussion.

III. C - Operating FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.