

Individual State Agency Fiscal Note

Bill Number: 6059 S 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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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.

Difference between SSB 6059 and the original bill:

Section 3(6): Removes eligible the organization notification of no offer requirement from law.

Section 5: Now, a new section amends RCW 59.20.080, which provides guidance to landlords on written notice for termination of tenancy.

Section 6: Now provides the requirements for closure notices.

Section 7: Now amends RCW 59.21.040.

Summary of SSB 6059:

Section. 3(6): Removes eligible the organization notification of no offer requirement from the original bill. The department assumes no direct administrative impact for the department to implement the provisions of these changes. Therefore, there is no fiscal impact to the Department of Commerce.

Section 5(1)(e)(iv): Requires landlords to provide tenants written notice of at least 12 months to vacate that includes Department of Commerce contact information, as provided by the Department of Commerce, identifying financial and technical assistance programs available to support eligible tenant relocation activities.

Section 5(1)(e)(v): Requires landlords to provide tenants written notice of at least 18 months to vacate that includes Department of Commerce contact information, as provided by the Department of Commerce, identifying financial and technical assistance programs available to support eligible tenant relocation activities.

The fiscal impacts from the changes in Section 5 (1) are indeterminate now. The program does not know the number of households that may request financial and technical assistance upon receipt of notices to vacate. Because the number of qualifying households is unknown, the fiscal impacts from the changes in Sec. 5 (1) are indeterminate.

Section 6 (2): Changes 12 months to two years in the text of the closure notice to align with the current statute. The department assumes no direct administrative impact for the department to implement the provisions of these changes. Therefore, there is no fiscal impact on the Department of Commerce.

Section 6 (3) (b): includes “director’s designee” in all places in the text of the closure notice. The department assumes no direct administrative impact for the department to implement the provisions of these changes. Therefore, there is no fiscal impact on the Department of Commerce.

Section 7 (2): replaces an incorrect cross-reference from RCW 59.20.090 to RCW 59.20.080 (1) (e). The department assumes no direct administrative impact for the department to implement the provisions of these changes. 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.

Section 5 (1): The fiscal impacts from the changes in Section 5 (1) are indeterminate at this time. The program does not know the number of households that may request financial and technical assistance upon receipt of notices to vacate. Because the number of qualifying households is unknown, the fiscal impacts from the changes in this section are indeterminate.

The department assumes the proposed amendment will provide an opportunity for eligible tenants receiving notices to vacate and associated landlords (community owners) to receive 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. The department 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 assistance upon receipt of vacating notices. Because the number of qualifying households is unknown, the fiscal impacts from the changes in Section 5(1) 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.