

## **SB 586 STAFF MEASURE SUMMARY**

### **Senate Committee On Housing**

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**Prepared By:** C. Ross, LPRO Analyst

**Meeting Dates:** 3/4, 4/8

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#### **WHAT THE MEASURE DOES:**

Provides marinas, with tenants and owners of floating homes, equivalent treatment as manufactured home dwelling parks. Applies provisions for sale of manufactured dwelling parks to marinas. Authorizes marina to require tenant to move floating home at landlord's cost. Requires 10-month advance notice of for-cause termination for tenant to cure home floatation.

Extends sunset for capital gains exemption for sales of manufactured dwelling parks to nonprofits or housing authorities, through 2025. Extends sunset for tax credits to owners of manufactured dwellings with tenancies terminated due to park closure, to 2025.

Modifies notice requirements and provisions concerning potential hazard trees. Amends requirements for siting, billing, and notice before converting to submetered utilities or pro rata billing. Modifies other conversion and billing processes.

#### **ISSUES DISCUSSED:**

- History of coalition and its modeling proactive, collaborative effort between landlord and tenant groups
- Six issues addressed by provisions of pending amendment
- Extending application of statutes governing owners and renters of manufactured homes in parks to include tenants in/owners of floating homes in marinas
- Issues unique to manufactured and floating home owners and tenants, who rent space in a park or marina; distinguishing ordinary residential renters

#### **EFFECT OF AMENDMENT:**

*[-1 amendment, 03.28.19]* Inserts new section governing empty floating homes to include storage and disposition of personal property, repair of defects, and disposition of the home itself. Restores existing provisions governing change of ownership and adds reference to new section. Restores original provisions governing hazard trees and adds requirement for landlords to notify tenants, as specified, to allow reasonable opportunity for tenant to maintain tree, unless it presents immediate, serious danger. Removes sections concerned with renaming accounting structures and extending tax-related sunsets. Refines section containing miscellaneous facility provisions.

#### **BACKGROUND:**

The Manufactured Housing Landlord/Tenant Coalition has existed since 1997. It meets approximately on a monthly basis to discuss Landlord/Tenant concerns proactively, and has produced negotiated legislation every long session since its inception, each addressing a variety of issues. Senate Bill 586 is the negotiated bill for 2019, and for the first time, incorporates marinas.

Senate Bill 586 extends two tax-related provisions through 2025: the sunset on the capital gains exemption for sales of manufactured dwelling parks for nonprofits or housing authorities, and the sunset on tax credits for owners of manufactured dwellings whose tenancies are terminated due to park closure. The measure also modifies notice requirements and provisions concerning potential hazard trees, and requirements for siting,

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billing, and notice before a park converts to submeters or pro rata billing. Specific to marinas, the measure makes provisions concerning the sale of manufactured dwelling parks applicable to marinas; authorizes a marina to require a tenant to move a floating home at the landlord's expense; and requires 10-month advance notice of for-cause termination for a tenant to cure home floatation.

PRELIMINARY