

State of Washington
Department of Labor and Industries
 Decision Package

Decision Package Code/Title	TC	Technical Corrections
Budget Period	FY 12	Supplemental Budget
Budget Level	ML-2	Maintenance Level

Recommendation Summary

Manufactured Housing Account (728) technical errors from the 2011 Session are corrected.

Fiscal Detail

Change to Agency' Staff and Expenditures:

	FY 2012	FY 2013	TOTAL
Staffing:			
001-2 General Fund Fund-Federal	0.0	0.0	0.0
	0.0	0.0	0.0
TOTAL FTEs	0.0	0.0	0.0

	FY 2012	FY 2013	TOTAL
Operating Expenditures:			
262-1 Manuf. Hm Installation Training Acct	65,000	118,000	183,000
728-6 Manufactured Housing Account	(65,000)	(118,000)	(183,000)
TOTAL Expenditures	0	0	0

Change to Revenue:

	FY 2012	FY 2013	TOTAL
Revenue:			
262-1 Manuf. Hm Installation Training Acct / 02 72	201,000	150,000	351,000
TOTAL Revenue	201,000	150,000	351,000

Total Net Impact:

	FY 2012	FY 2013	TOTAL
Expenditures - (Recoveries + Revenue + Non Appropriated Fund Savings):			
Revenue: 262-1 / 02 72	201,000	150,000	351,000
Expenditures: None	0	0	0
TOTAL	0	0	351,000

Package Description

SHB 1502 Manufactured /Mobile Home Program

This technical correction is based on requirements of the Substitute House Bill (SHB) 1502 – Manufactured / Mobile Home Program, as passed by the Legislature April 14, 2011 during the 2011 Legislative Session. SHB 1502 abolishes the Manufactured Housing Account and directs the remaining funds and revenue from this account to the Manufactured Home Installation Training Account. The funds will be available to the Department of Labor and Industries to administer the State Administrative Agency Function and the Manufactured Home Installation Training and Certification Program.

The Department of Labor and Industries (L&I) is the designated state administrative agency for purposes of the United States Department of Housing and Urban Development's Manufactured Housing Safety and Construction Standards Program. Under this program, L&I is responsible for enforcing the federal standards at Washington manufacturing sites. L&I must also provide a warranty dispute mediation program.

L&I also administers the Manufactured Home Installation Training Program (Installation Training Program). Under the Installation Training Program, persons wishing to be manufactured home installers may apply for certification. Certification is issued to persons who take the training, pass the examination, pay the required fees, and meet other qualifications.

L&I may charge fees to cover the costs of the program. Fees are deposited in the Manufactured Home Installation Training Account (Installation Training Account). The Installation Training Account also receives fees under the warranty dispute mediation program, and any penalties imposed. This funding may be used for any of the manufactured housing programs administered by L&I.

Narrative Justification

Substitute House Bill 1502 – Manufactured / Mobile Home Program, as passed by the legislature April 14, 2011 during the 2011 Legislative Session requires the following changes to the Manufactured Housing Account (728):

- **Section 4** - All revenue, which involves transfer title fees for manufactured homes, shall no longer be deposited into the Manufactured Housing Account (728). Instead, the manufactured homes transfer title fees will be deposited into the Manufactured Home Installation Training Account (262).
- **Section 8** - The residual fund balance of the Manufactured Housing Account (728) will be transferred to the Manufactured Home Installation Training Account (262).
- **Section 13** – The Manufactured Housing Account (728) is eliminated.

Impact Statement

Expenditure Authority

According to sections 4, 8, and 13 referenced above, the expenditure authority of \$183,000 for Manufactured Housing Account (728) will need to be eliminated since:

- The account is to be eliminated
- No more revenue is to be deposited into the account.

In order to maintain the current level of services for the Mobile and Manufactured Homes Program, the expenditure authority for the Manufactured Home Installation Training Account (262) will need to be increased by the 2011-13 Manufactured Housing Account (728) expenditure authority amount or \$183,000. The additional revenue deposited into Account 262 will allow for enough fund balance to cover the increase in spending (expenditure authority) for Account 262. The program will no longer be spending from the Manufactured Housing Account (728).

Revenue

Section 4 of SHB 1502, all Manufactured Housing Account (728) revenue will be deposited in the Manufactured Home Installation Training Account (262). Revenue deposited each year in the Manufactured Housing Account (728) is estimated at \$150,000 per year (Fiscal Years 2010 and 2011).

Expenditure Calculations and Assumptions

The 2011 Session SHB 1502 – Mobile / Manufactured Homes Program requires the following changes to expenditures:

- **Section 13** – The Manufactured Housing Account (728) is eliminated. Revenues and expenditures will not be allowed within this account.
- **Section 4** – All Manufactured Housing Account (728) revenue is to be deposited into Account (262) - Manufactured Home Installation Training Account.

The current 2011-13 Expenditure Authority for the Manufactured Housing Account (728) is \$65,000 for FY 2012 and \$118,000 for FY 2013 for a biennial total of \$183,000.

	FY 2012	FY 2013	TOTAL Biennium	Biennium 2013- 2015	Biennium 2015- 2017	TOTAL
Funds:						
262 - Manf. Hm Inst. Trn. Acct.	65,000	118,000	183,000	183,000	183,000	549,000
728 - Manf. Housing Acct.	(65,000)	(118,000)	(183,000)	(183,000)	(183,000)	(549,000)
TOTAL Funds	0	0	0	0	0	0

One-Time Revenues and Expenditures

Revenues

The transfer of the residual fund balance from the Manufactured Housing Account (728) to the Manufactured Home Installation Training Account (262) is a one-time event.

Expenditures

There are no one-time expenditures.

Budget Impacts in Future Biennia

The changes to the expenditure authority are on-going. Starting in the 2011-13 Biennium forward, all transfer title fee revenues will be deposited into the Manufactured Home Installation Training Account (262).

Revenue Calculations and Assumptions

The 2011 Session SHB 1502 – Mobile / Manufactured Homes Program requires the following changes to revenue:

- **Section 4** - All revenue, which involves transfer title fees for manufactured homes, shall no longer be deposited into the Manufactured Housing Account (728). Instead, the manufactured homes transfer title fees will be deposited into the Manufactured Home Installation Training Account (262).
 - The total annual revenue generated from the manufactured homes transfer title fees is \$150,000.
- **Section 8** - The residual fund balance of the Manufactured Housing Account (728) will be transferred to the Manufactured Home Installation Training Account (262).
 - The June 30, 2011 residual fund balance for Account 728 is \$51,000.

Funds:	FY 2012	FY 2013	Total BI 11-13	FY 2014	FY 2015	Total BI 13-15	FY 2016	FY 2017	Total BI 15-17
262 - Manf. Hm Inst. Trn. Acct.	201,000	150,000	351,000	150,000	150,000	300,000	150,000	150,000	300,000
728 - Manf. Housing Acct.	(201,000)	(150,000)	(351,000)	(150,000)	(150,000)	(300,000)	(150,000)	(150,000)	(300,000)
TOTAL Funds	0	0	0	0	0	0	0	0	0