JUNE 18, 2025

IMPORTANT

TO: HUD CODE MANUFACTURED HOUSING INDUSTRY MEMBERS

FROM: MARK WEISS

RE: MHARR ADDRESSES DEFICIENCIES AND CONCERNS,

AND SUBMITS PROPOSALS TO CONGRESS TO

CORRECT PENDING HOUSING SUPPLY FRAMEWORKS ACT

As the Manufactured Housing Association for Regulatory Reform (MHARR) reported in a News Release dated April 22, 2025 ("Bi-Partisan Bill Seeks Zoning Reform – Could Augment Enhanced Federal Preemption"), bi-partisan legislation entitled "The Housing Supply Frameworks Act of 2025" (HSFA), has now been introduced in both the House of Representatives (H.R. 2840) and the U.S. Senate (S. 1299).

At their core, these bills — which are identical in substance but differ slightly in their organization — would establish a federal mechanism to, within three years of enactment, "develop frameworks for best practices on zoning and land-use policies" at both the state and local level. Among other things, the bills specifically reference a "reduction of obstacles to a range of housing types at all levels of affordability, including manufactured and modular housing." In addition, the legislation, as previously noted by MHARR, would provide state and local governments with resources to confront barriers to affordable housing development and construction.

While MHARR supports the purposes and objectives of these HSFA bills, it nevertheless has serious concerns with certain aspects of the language used in the bills, which – like two draft bills currently before the House of Representatives Subcommittee on Housing and Insurance, addressed in detail in an MHARR memorandum and package dated June 11, 2025 entitled "Pending and Potential Legislation Impacting Manufactured Housing") – could have significant unintended negative effects for the manufactured housing industry (especially smaller industry businesses) and American consumers of affordable housing if not addressed and corrected during the legislative process.

Consequently, MHARR, in a June 16, 2025 communication to both houses of Congress (copy attached), has indicated the sections of the HSFA bills that pose the greatest concern, and has offered suggested changes to the bill language that would address those concerns. In general, the matters addressed by MHARR fall into four broad categories:

(1) MHARR proposed changes seek to <u>specifically define "manufactured home</u>" by referencing the definition contained in the National Manufactured Housing Construction and Safety Standards Act of 1974, as amended;

- (2) MHARR proposed changes seek to include "manufactured housing producers" as a <u>distinct</u> membership category for the committee that would be established by the bill;
- (3) MHARR proposed changes would separate references to the regulation and exclusion of federally-regulated HUD Code manufactured homes from references to "modular" or other types of homes built to state or local building codes; and
- (4) MHARR proposed changes would replace references to "attainable" housing with references to "affordable" housing.

Included in the attached MHARR packet are the proposed changes - in detail - together with a statement of the rationale and justification for each.

Most importantly, the proposed changes seek to identify HUD Code manufactured homes as a <u>distinct</u> category of <u>affordable</u> and housing (indeed, the most affordable housing) which faces discrimination and exclusion through zoning and placement mandates <u>precisely because</u> it is regulated pursuant to a federal building code (with performance-based federal standards, uniform federal enforcement and federal preemption), rather than state or local codes (most typically the International Residential Code – IRC). In order to make this distinction clear and unequivocal in the proposed legislation, it is necessary that manufactured homes, as a housing category, be specifically defined and identified in the bill language. Moreover, and consistent with the HSFA's <u>specific identification and definition of "affordability</u>," it is essential that HSFA avoid references to the meaningless term "attainable" housing and instead refer <u>in all instances</u> to "affordable" homeownership, which is the centerpiece of President Trump's and HUD Secretary Scott Turner's goal to increase the supply of housing and the availability of homeownership in the United States.

As always, MHARR will carefully monitor these bills and will take any and all actions needed to protect the rights and interests of smaller HUD Code industry businesses and the lower and moderate-income American homebuyers who rely on affordable manufactured housing, while simultaneously working to ensure that full and fair competition within the industry is protected.

We urge you to review MHARR's suggested modifications and support them in your interactions with Congress because, without such changes and additions, the current HFSA bills would likely have unintended and/or unforeseen negative consequences for mainstream manufactured housing, manufactured housing consumers and smaller industry businesses in particular.

Please contact MHARR if you have any questions or need any additional information regarding the attached documents. As usual, MHARR will continue to keep you informed as it reviews and submits recommendations to both houses of Congress on all of the multiple pending or potential bills pertaining to or impacting HUD Code manufactured housing.

Thank you.

Mark Weiss President and CEO Manufactured Housing Association for Regulatory Reform (MHARR) 1331 Pennsylvania Ave N.W., Suite 512

Washington D.C. 20004 Phone: 202/783-4087 Fax: 202/783-4075

Email: MHARRDG@AOL.COM

Website: www.manufacturedhousingassociation.org

Attachments



Manufactured Housing Association for Regulatory Reform

1331 Pennsylvania Avenue, NW • Suite 512 • Washington, DC 20004 • 202-783-4087 • Fax 202-783-4075 • mharrdg@aol.com

June 16, 2025

VIA FEDERAL EXPRESS

Hon. Tim Scott
Chairman
Senate Banking, Housing and Urban
Affairs Committee
Suite 534
Dirksen Senate Office Building
1st and C Streets, N.E.
Washington, D.C. 20510

Hon. Elizabeth Warren
Ranking Member
Senate Banking, Housing and Urban
Affairs Committee
Suite 534
Dirksen Senate Office Building
1st and C Streets, N.E.
Washington, D.C. 20510

Re: S. 1299 – The Housing Supply Frameworks Act of 2025

Dear Chairman Scott and Ranking Member Warren:

I am writing on behalf of the Manufactured Housing Association for Regulatory Reform (MHARR). MHARR is a Washington, D.C.-based national trade organization representing the views and interests of independent producers of manufactured housing regulated by the U.S. Department of Housing and Urban Development (HUD) pursuant to the National Manufactured Housing Construction and Safety Standards Act of 1974 (Act) as amended by the Manufactured Housing improvement Act of 2000 (2000 Reform Law) (42 U.S.C. 5401, et seq.). MHARR was established in 1985. It represents primarily smaller and medium-sized manufacturers from all regions of the United States.

Recently, legislation entitled the "Housing Supply Frameworks Act of 2025" (S. 1299) was introduced in the U.S. Senate. A parallel bill (H.R. 2840) has also been introduced in the House of Representatives. Insofar as S. 1299 references – and would impact – the availability and utilization of affordable, mainstream manufactured homes, it is a matter of concern for MHARR and its members. Thus, while MHARR supports, in principle, the purposes and objectives of S. 1299 as they relate to HUD-regulated (HUD Code) manufactured housing, it has specific significant concerns regarding the language and (in some instances) the structure of aspects of the bill that could – and most likely will -- have extremely negative unintended and/or unanticipated impacts on smaller manufactured housing industry businesses and consumers if not corrected.

Accordingly, MHARR has <u>closely</u> analyzed S. 1299 and has developed the attached statement setting forth MHARR's proposed modifications and corrections as well as the rationale and justification for each such suggestion.

MHARR would appreciate the opportunity to address these concerns with you in person, and/or to testify regarding these concerns – and their needed correction -- in any further hearing or Subcommittee/Committee action related thereto, before the bill advances any further.

Thank you in advance for your consideration of these concerns and related necessary corrections.

Sincerely,

Mark Weiss

President and CEO

cc: Hon. Lisa Blunt-Rochester

Hon. Mike Crapo

Hon. John Fetterman

Hon. Thom Tillis

Hon. Scott Turner

HUD Code Manufactured Housing Industry Members

S. 1299 -- "HOUSING SUPPLY FRAMEWORKS ACT OF 2025"

MHARR SUGGESTED MODIFICATIONS:

- 1. At page 3, line 24, under Section 3, "Definitions" prior to current subsection (4) "Secretary," add the following new subsection (4): "The term 'manufactured home' or 'manufactured housing' as used herein, has the same meaning and definition as the term 'manufactured home' as defined in 42 U.S.C. 5402(6)" and redesignate current subsection (4) as subsection (5).
- **2.** At page 5, line 25, after current subsection (I), add a new subsection (J) as follows: "producers of federally-regulated manufactured housing."
- 3. At page 6, line 16, after the current subsection (C) and before the current subsection (D), add a new subsection (D) and redesignate current subsection (D) as subsection (E) as follows: "(D) the elimination of zoning, placement and other restrictions against federally-regulated manufactured homes, including but not limited to the federal preemption of such restrictions pursuant to section 42 U.S.C. 5403(d) of the National Manufactured Housing Construction and Safety Standards Act of 1974, as amended."
- **4.** At page 7, line 8, under subsection (G), after "the reduction of obstacles to" insert "the availability and utilization of federally regulated manufactured housing" and delete the remainder of that subsection. After subsection (G), add a new subsection (H) stating: "the reduction of obstacles to a range of other housing types at all levels of affordability including modular housing" and redesignate the following subsections accordingly.
- **5.** At page 11, lines 2 and 6, under subsections (E) and (F), in each instance, replace the word "attainable" with the word "affordable".

MHARR RATIONALE AND JUSTIFICATION:

- 1. The term "manufactured home" (and/or the plural thereof, "manufactured housing") should be defined so as to clearly specify the types of homes embraced by the bill. The proposed definition refers back to the definition of "manufactured home" already set forth by federal law in the National Manufactured Home Construction and Safety Standards Act of 1974, as amended (mandating and providing for federal manufactured housing regulation utilizing performance-based federal standards, uniform enforcement and robust federal preemption), and is incorporated without modification in state law and local ordinances around the nation.
- 2. The current bill language limits participation to "manufactured housing developers." This should be broadened to include specific participation by "manufactured housing producers." Within the business model of the manufactured housing industry (unlike the site-building industry), home producers (i.e., builders) are not synonymous with community "developers," and have interests that are in many respects separate and distinct from "developers." In order to represent a valid and legitimate cross-section of interests (and to ensure participation by those most directly impacted by state and local restrictions as well as the federal regulatory

- system with its performance based federal standards, uniform enforcement and federal preemption), "manufactured housing producers" should be specifically identified.
- 3. This addition is needed because manufactured homes, as a specific class of affordable housing (and manufactured homeowners, as a specific class of homebuyer) face targeted, discriminatory and, in frequent cases, exclusionary zoning-based restrictions against home placement because of their construction in accordance with a <u>federal building code</u>. Therefore, the proposed bill should <u>specifically target the elimination</u> of such restrictions as a fundamental element of its mission and purpose and should reiterate and validate the authority of HUD, under <u>existing federal law</u>, to federally preempt any such restrictions. The proposed language would target such baseless restrictions and elevate the importance of their elimination as a key feature of the bill.
- 4. The current language groups manufactured homes together with "modular housing." This is unworkable and unacceptable, and will result in unintended negative consequences. Although manufactured and modular homes are both constructed in factories and thus offer greater "affordability" than site-built homes, they are entirely different species of construction, built to differing and incompatible building codes. Manufactured homes are constructed in a factory in accordance with a performance-based federal building code. The uniform standards of that code, together with uniform federally-based enforcement and robust federal preemption, ensure the unparallelled affordability of HUD Code manufactured homes. By contrast, "modular homes" are built in accordance with the International Residential Code (IRC) (or variations thereof) adopted as state or local law. Those codes do not have a mandated imperative for affordability and result in homes (both site-built and modular) with a significantly higher cost profile than manufactured homes built in accordance with the HUD Code. Accordingly, the bill should not conflate these significantly different types of homes within an overly-broad statement as is contained in the current version of the bill. MHARR's suggested correction would separate the two types of homes so that each can be treated and considered fully and properly.
- **5.** The term "attainable" has no fixed or specific meaning within a housing context and should be avoided. Instead, that term should be replaced by the term "affordable" which is consistently used in housing legislation and, in fact, is defined in this bill (see, page 3, lines 12-15) with specific identifiable cost parameters.



119TH CONGRESS 1ST SESSION

S. 1299

To direct the Secretary of Housing and Urban Development, acting through the Assistant Secretary for Policy Development and Research, to publish guidelines and best practices for State zoning and local zoning frameworks, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 3, 2025

Ms. Blunt Rochester (for herself, Mr. Crapo, Mr. Fetterman, and Mr. Tillis) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

- To direct the Secretary of Housing and Urban Development, acting through the Assistant Secretary for Policy Development and Research, to publish guidelines and best practices for State zoning and local zoning frameworks, and for other purposes.
- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE.
- 4 This Act may be cited as the "Housing Supply
- 5 Frameworks Act".
- 6 SEC. 2. FINDINGS.
- 7 Congress finds the following:

- 1 (1) As of 2022 in the United States, there was
 2 an estimated housing shortage of 3,850,000 homes.
 3 This housing supply shortage has resulted in a
 4 record number of cost-burdened households across
 5 regions and spanning the large and small cities,
 6 towns, and coastal and rural communities of the
 7 United States.
 - (2) Several factors contribute to the undersupply of housing in the United States, particularly workforce housing, including rising costs of construction, a shortage of labor, supply chain disruptions, and a lack of reliable funding sources.
 - (3) Regulatory barriers at the State and local levels, such as zoning and land use regulations, also inhibit the creation of new housing to meet local and regional housing needs.
 - (4) State and local governments are proactively exploring solutions for reforming regulatory barriers, but additional resources, data, and models can help adequately address these challenges.
 - (5) While land use regulation is the responsibility of State and local governments, there is Federal support for necessary reforms, and there is an opportunity for the Federal Government to provide support and assistance to State and local govern-

ments that wish to undertake necessary reforms in
a manner that fits their communities' needs.
(6) Therefore, zoning ordinances or systems of
land use regulation that have the intent or effect of
restricting housing opportunities based on economic
status or income without interests that are substan-
tial, legitimate, nondiscriminatory and that outweigh
the regional need for housing are contrary to the re-
gional and national interest.
SEC. 3. DEFINITIONS.
In this Act:
(1) Λ FFORDABLE HOUSING.—The term "afford-
able housing" means housing for which the monthly
payment is not more than 30 percent of the monthly
income of the household.
(2) Assistant Secretary.—The term "Assist-
ant Secretary" means the Assistant Secretary for
Policy Development and Research of the Depart-
ment of Housing and Urban Development.
(3) Local zoning framework.—The term
"local zoning framework" means the local zoning

- "local zoning framework" means the local zoning codes and other ordinances, procedures, and policies governing zoning and land-use at the local level.
- (4) Secretary.—The term "Secretary" means
 the Secretary of Housing and Urban Development.

22

23

1	(5) State zoning framework.—The term
2	"State zoning framework" means the State legisla-
3	tion or State agency and department procedures, or
4	
5	the United States, enabling local planning and zon-
6	ing authorities and establishing and guiding related
7	policies and programs.
8	SEC. 4. GUIDELINES ON STATE AND LOCAL ZONING FRAME-
9	WORKS.
10	(a) Establishment.—Not later than 3 years after
11	the date of enactment of this section, the Assistant Sec-
12	retary shall publish documents outlining guidelines and
13	best practices to support production of adequate housing
14	to meet the needs of communities and provide housing op-
15	portunities for individuals at every income level across
16	communities with respect to—
17	(1) State zoning frameworks; and
18	(2) local zoning frameworks.
19	(b) Consultation; Public Comment.—During the
20	2 year period beginning on the date of enactment of this
21	Act, in developing the guidelines and best practices re-
22	quired under subsection (a), the Assistant Secretary
23	shall—
24	(1) publish draft guidelines in the Federal Reg-
25	ister for public comment; and

1	(2) establish a task force for the purpose of
2	providing consultation to draft guidelines published
3	under paragraph (1), the members of which shall in-
4	clude—
5	(A) planners and architects;
6	(B) advocates with experience in affordable
7	housing, community development efforts, and
8	fair housing;
9	(C) housing developers, including afford-
10	able and market-rate housing developers, manu-
11	factured housing developers, and other business
12	interests;
13	(D) community engagement experts and
14	community members impacted by zoning deci-
15	sions;
16	(E) public housing authorities and transit
17	authorities;
18	(F) members of local zoning and planning
19	boards and local and regional transportation
20	planning organizations;
21	(G) State officials responsible for housing
22	or land use, including members of State zoning
23	boards of appeals;
24	(H) academic researchers; and
25	(I) home builders.

1	(c) Contents.—The guidelines and best practices
2	required under subsection (a) shall—
3	(1) with respect to State zoning frameworks,
4	outline potential models for updated State enabling
5	legislation or State agency and department proce-
6	dures;
7	(2) include recommendations regarding—
8	(A) the reduction or elimination of parking
9	minimums;
10	(B) the increase in maximum floor area
11	ratio requirements and maximum building
12	heights and the reduction in minimum lot sizes
13	and set-back requirements;
14	(C) the elimination of restrictions against
15	accessory dwelling units;
16	(D) increasing by-right uses, including du-
17	plex, triplex, or quadplex buildings, across cities
18	or metropolitan areas;
19	(E) mechanisms, including proximity to
20	transit, to determine the appropriate scope for
21	rezoning and ensure development that does not
22	disproportionately burden residents of economi-
23	cally distressed areas;

1	(F) provisions regarding review of by-right
2	development proposals to streamline review and
3	reduce uncertainty, including—
4	(i) nondiscretionary, ministerial re-
5	view; and
6	(ii) entitlement and design review
7	processes;
8	(G) the reduction of obstacles to a range
9	of housing types at all levels of affordability, in-
10	cluding manufactured and modular housing;
11	(H) State model zoning regulations for di-
12	recting local reforms, including mechanisms to
13	encourage adoption;
14	(I) provisions to encourage transit-oriented
15	development, including increased permissible
16	units per structure and reduced minimum lot
17	sizes near existing or planned public transit sta-
18	tions;
19	(J) potential reforms to the public engage-
20	ment process, including—
21	(i) meaningful access for persons with
22	limited English proficiency and effective
23	communication improvements for persons
24	with disabilities;

1	(ii) leveraging of virtual meeting tech-
2	nologies; and
3	(iii) proactive outreach in commu-
4	nities;
5	(K) reforms to protest petition statutes;
6	(L) the standardization, reduction, or
7	elimination of impact fees;
8	(M) cost effective and appropriate building
9	codes;
10	(N) models for community benefit agree-
11	ments;
12	(O) mechanisms to preserve affordability,
13	limit disruption of low-income communities, and
14	prevent displacement of existing residents;
15	(P) with respect to State zoning frame-
16	works—
17	(i) State model codes for directing
18	local reforms, including mechanisms to en-
19	courage adoption;
20	(ii) a model for a State zoning appeals
21	process, which would—
22	(I) create a process for devel-
23	opers or builders requesting a vari-
24	ance, conditional use, special permit,
25	zoning district change, similar discre-

1	tionary permit, or otherwise peti-
2	tioning a local zoning or planning
3	board for a project including a State-
4	defined amount of affordable housing
5	to appeal a rejection to a State body
6	or regional body empowered by the
7	State;
8	(II) establish qualifications for
9	communities to be exempted from the
10	appeals process based on their avail-
11	able stock of affordable housing; and
12	(III) establish a State zoning ap-
13	peals board to consider appeals to a
14	discretionary permit rejection and ob-
15	jectively evaluate petitions based on
16	the potential for environmental dam-
17	age and infrastructural capacity; and
18	(iii) best practices on the disposition
19	of land owned by State governments for af-
20	fordable housing development;
21	(Q) with respect to local zoning frame-
22	works—
23	(i) the simplification and standardiza-
24	tion of existing zoning codes;
25	(ii) maximum review timelines;

1	(iii) best practices for the disposition
2	of land owned by local governments for af-
3	fordable housing development; and
4	(iv) differentiations between best prac-
5	tices for rural, suburban, and urban com-
6	munities, and communities with different
7	levels of density or population distribution;
8	and
9	(R) other land use measures that promote
10	access to new housing opportunities identified
11	by the Secretary; and
12	(3) consider—
13	(A) consistency with respect to fair hous-
14	ing and civil rights requirements;
15	(B) the effects of adopting any rec-
16	ommendation on eligibility for Federal discre-
17	tionary grants provided by the Department of
18	Housing and Urban Development, the Depart-
19	ment of Transportation, and the Department of
20	Agriculture, and tax credits for the purpose of
21	housing or community development;
22	(C) coordination between infrastructure in-
23	vestments and housing planning;
24	(D) local housing needs, including ways to
25	set and measure housing goals and targets:

1	(E) a range of affordability for renta
2	units, with a prioritization of units attainable to
3	extremely low-income, low-income, and mod-
4	erate-income residents;
5	(F) a range of affordability for homeown-
6	ership units attainable to low-income and mod-
7	erate-income residents;
8	(G) accountability measures;
9	(H) the long-term cost to residents and
10	businesses if more housing is not constructed;
11	(I) barriers to individuals seeking to access
12	affordable housing in growing communities and
13	communities with economic opportunity;
14	(J) with respect to State zoning frame-
15	works—
16	(i) distinctions between States pro-
17	viding constitutional or statutory home
18	rule authority to municipalities and States
19	operating under the Dillon Rule, as articu-
20	lated in Hunter v. Pittsburgh, 207 U.S.
21	161 (1907);
22	(ii) statewide mechanisms to preserve
23	existing affordability over the long term,
24	including support for land banks and com-
25	munity land trusts; and

1	(iii) guidance to States on collecting
2	
3	
4	istries;
5	(K) public comments described in sub-
6	section (b)(1); and
7	(L) other considerations, as identified by
8	the Secretary.
9	SEC. 5. REPORTING.
10	Not later than 5 years after the date on which the
11	Assistant Secretary publishes the guidelines and best prac-
12	tices for State and local zoning frameworks, the Assistant
13	Secretary shall submit to Congress a report describing—
14	(1) the States that have adopted recommenda-
15	tions from the guidelines and best practices, pursu-
16	ant to section 4 of this Act;
17	(2) a summary of the localities that have adopt-
18	ed recommendations from the guidelines and best
19	practices, pursuant to Section 4 of this Act;
20	(3) a list of States that adopted a State zoning
21	framework;
22	(4) a summary of the modifications that each
23	State has made in their State zoning framework:

1	(5) a general summary of the types of updates
2	
3	•
4	(6) of the States that have adopted a State zon-
5	
6	
7	on the number of building permits issued.
8	SEC. 6. ABOLISHMENT OF REGULATORY BARRIERS CLEAR-
9	INGHOUSE.
10	(a) In General.—The Regulatory Barriers Clear-
11	inghouse established pursuant to section 1205 of the
12	Housing and Community Development Act of 1992 (42
13	U.S.C. 12705d) is abolished.
14	(b) Repeal.—Section 1205 of the Housing and
15	Community Development Act of 1992 (42 U.S.C. 12705d)
16	is repealed.
17	SEC. 7. AUTHORIZATION OF APPROPRIATIONS.
18	There is authorized to be appropriated to the Sec-
19	retary to carry out this Act \$3,000,000 for each of fiscal
20	years 2026 through 2030.



Manufactured Housing Association for Regulatory Reform

1331 Pennsylvania Avenue, NW • Suite 512 • Washington, DC 20004 • 202-783-4087 • Fax 202-783-4075 • mharrdg@aol.com

June 16, 2025

VIA FEDERAL EXPRESS

Hon. French Hill
Chairman
U.S. House of Representatives
Financial Services Committee
Suite 2129
Rayburn House Office Building
Independence Ave. and S. Capitol St,. S.W.
Washington, D.C. 20515

Hon. Maxine Waters
Ranking Member
U.S. House of Representatives
Financial Services Committee
Suite 2129
Rayburn House Office Building
Independence Ave. and S. Capitol St., S.W.
Washington, D.C. 20515

Re: <u>H.R. 2840 – Housing Supply Frameworks Act of 2025</u>

Dear Chairman Hill and Ranking Member Waters:

I am writing on behalf of the Manufactured Housing Association for Regulatory Reform (MHARR). MHARR is a Washington, D.C.-based national trade organization representing the views and interests of independent producers of manufactured housing regulated by the U.S. Department of Housing and Urban Development (HUD) pursuant to the National Manufactured Housing Construction and Safety Standards Act of 1974 (Act) as amended by the Manufactured Housing improvement Act of 2000 (2000 Reform Law) (42 U.S.C. 5401, et seq.). MHARR was established in 1985. It represents primarily smaller and medium-sized manufacturers from all regions of the United States.

Recently, Housing and Insurance Subcommittee Chairman Mike Flood and Rep. Brittany Petterson introduced legislation entitled the "Housing Supply Frameworks Act" (H.R. 2840). A parallel bill (S. 1299) has also been introduced in the Senate. Insofar as H.R. 2840 references – and would impact – the availability and utilization of affordable, mainstream manufactured homes, it is a matter of concern for MHARR and its members. Thus, while MHARR supports, in principle, the purposes and objectives of H.R. 2840 as they relate to HUD-regulated (HUD Code) manufactured housing, it has specific significant concerns regarding the language and (in some instances) the structure of aspects of the bill that could – and most likely will – have extremely negative unintended and/or unanticipated impacts on smaller manufactured housing industry businesses and consumers if not corrected.

Accordingly, MHARR has <u>closely</u> analyzed H.R. 2840 and has developed the attached statement setting forth MHARR's proposed modifications and corrections as well as the rationale and justification for each such suggestion.

MHARR would appreciate the opportunity to address these concerns with you in person, and/or to testify regarding these concerns – and their needed correction -- in any further hearing or Subcommittee/Committee action related thereto, before the bill advances any further.

Thank you in advance for your consideration of these concerns and related necessary corrections.

Sincerely,

Mark Weiss

President and CEO

cc: Hon. Mike Flood

Hon. Brittany Pettersen

Hon. Scott Turner

HUD Code Manufactured Housing Industry Members

H.R. 2840 -- "HOUSING SUPPLY FRAMEWORKS ACT OF 2025"

MHARR SUGGESTED MODIFICATIONS:

- 1. At page 4, line 9, under Section 3, "Definitions" prior to current subsection (4) "Secretary," add the following new subsection (4): "The term 'manufactured home' or 'manufactured housing' as used herein, has the same meaning and definition as the term 'manufactured home' as defined in 42 U.S.C. 5402(6)" and redesignate current subsection (4) as subsection (5).
- **2.** At page 6, line 5, after current subsection (I), add a new subsection (J) as follows: "producers of federally-regulated manufactured housing."
- 3. At page 6, line 21, after the current subsection (C) and before the current subsection (D), add a new subsection (D) and redesignate current subsection (D) as subsection (E) as follows: "(D) the elimination of zoning, placement and other restrictions against federally-regulated manufactured homes, including but not limited to the federal preemption of such restrictions pursuant to section 42 U.S.C. 5403(d) of the National Manufactured Housing Construction and Safety Standards Act of 1974, as amended."
- **4.** At page 7, line 10, under subsection (F), after "the reduction of obstacles to" insert "the availability and utilization of federally regulated manufactured housing" and delete the remainder of that subsection. After subsection (F), add a new subsection stating: "the reduction of obstacles to a range of other housing types at all levels of affordability including modular housing" and redesignate the following subsections accordingly.
- **5.** At page 10, lines 10 and 14, under subsections (B) and (C), in each instance, replace the word "attainable" with the word "affordable".

MHARR RATIONALE AND JUSTIFICATION:

- 1. The term "manufactured home" (and/or the plural thereof, "manufactured housing") should be defined so as to clearly specify the types of homes embraced by the bill. The proposed definition refers back to the definition of "manufactured home" already set forth by federal law in the National Manufactured Home Construction and Safety Standards Act of 1974, as amended (mandating and providing for federal manufactured housing regulation utilizing performance-based federal standards, uniform enforcement and robust federal preemption), and is incorporated without modification in state law and local ordinances around the nation.
- 2. The current bill language limits participation to "manufactured housing developers." This should be broadened to include specific participation by "manufactured housing producers." Within the business model of the manufactured housing industry (unlike the site-building industry), home producers (i.e., builders) are not synonymous with community "developers," and have interests that are in many respects separate and distinct from "developers." In order to represent a valid and legitimate cross-section of interests (and to ensure participation by those most directly impacted by state and local restrictions as well as the federal regulatory

- system with its performance based federal standards, uniform enforcement and federal preemption), "manufactured housing producers" should be specifically identified.
- 3. This addition is needed because manufactured homes, as a specific class of affordable housing (and manufactured homeowners, as a specific class of homebuyer) face targeted, discriminatory and, in frequent cases, exclusionary zoning-based restrictions against home placement because of their construction in accordance with a <u>federal building code</u>. Therefore, the proposed bill should <u>specifically target the elimination</u> of such restrictions as a fundamental element of its mission and purpose and should reiterate and validate the authority of HUD, under <u>existing federal law</u>, to federally preempt any such restrictions. The proposed language would target such baseless restrictions and elevate the importance of their elimination as a key feature of the bill.
- 4. The current language groups manufactured homes together with "modular housing." This is unworkable and unacceptable, and will result in unintended negative consequences. Although manufactured and modular homes are both constructed in factories and thus offer greater "affordability" than site-built homes, they are entirely different species of construction, built to differing and incompatible building codes. Manufactured homes are constructed in a factory in accordance with a performance-based federal building code. The uniform standards of that code, together with uniform federally-based enforcement and robust federal preemption, ensure the unparallelled affordability of HUD Code manufactured homes. By contrast, "modular homes" are built in accordance with the International Residential Code (IRC) (or variations thereof) adopted as state or local law. Those codes do not have a mandated imperative for affordability and result in homes (both site-built and modular) with a significantly higher cost profile than manufactured homes built in accordance with the HUD Code. Accordingly, the bill should not conflate these significantly different types of homes within an overly-broad statement as is contained in the current version of the bill. MHARR's suggested correction would separate the two types of homes so that each can be treated and considered fully and properly.
- 5. The term "attainable" has no fixed or specific meaning within a housing context and should be avoided. Instead, that term should be replaced by the term "affordable" which is consistently used in housing legislation and, in fact, is defined in this bill (see, page 3, lines 12-15) with specific identifiable cost parameters.



119TH CONGRESS 1ST SESSION

H.R. 2840

To direct the Secretary of Housing and Urban Development, acting through the Assistant Secretary for Policy Development and Research, to publish guidelines and best practices for State zoning and local zoning frameworks, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 10, 2025

Mr. FLOOD (for himself and Ms. Pettersen) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

- To direct the Secretary of Housing and Urban Development, acting through the Assistant Secretary for Policy Development and Research, to publish guidelines and best practices for State zoning and local zoning frameworks, and for other purposes.
- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE.
- 4 This Act may be cited as the "Housing Supply
- 5 Frameworks Act".
- 6 SEC. 2. FINDINGS.
- 7 Congress finds the followings:

- 1 (1) As of 2022 in the United States, there was
 2 an estimated housing shortage of 3,850,000 homes.
 3 This housing supply shortage has resulted in a
 4 record number of cost-burdened households across
 5 regions and spanning the large and small cities,
 6 towns, and coastal and rural communities of the
 7 United States.
 - (2) Several factors contribute to the undersupply of housing in the United States, particularly workforce housing, including rising costs of construction, a shortage of labor, supply chain disruptions, and a lack of reliable funding sources.
 - (3) Regulatory barriers at the State and local levels, such as zoning and land use regulations, also inhibit the creation of new housing to meet local and regional housing needs.
 - (4) State and local governments are proactively exploring solutions for reforming regulatory barriers, but additional resources, data, and models can help adequately address these challenges.
 - (5) While land use regulation is the responsibility of State and local governments, there is Federal support for necessary reforms, and there is an opportunity for the Federal Government to provide support and assistance to State and local govern-

1	ments that wish to undertake necessary reforms in
2	a manner that fits their communities' needs.
3	(6) Therefore, zoning ordinances or systems of
4	land use regulation that have the intent or effect of
5	restricting housing opportunities based on economic
6	status or income without interests that are substan-
7	tial, legitimate, nondiscriminatory and that outweigh
8	the regional need for housing are contrary to the re-
9	gional and national interest.
10	SEC. 3. DEFINITIONS.
11	In this Act:
12	(1) Affordable Housing.—The term "afford-
13	able housing" means housing in which the occupant
14	is paying no more than 30 percent of gross income
15	for housing costs.
16	(2) Assistant secretary.—The term "Assist-
17	ant Secretary' means the Assistant Secretary for
18	Policy Development and Research of the Depart-
19	ment of Housing and Urban Development.
20	(3) Framework-related terms.—
21	(A) Local zoning framework.—The
22	term "local zoning framework" means the local
23	zoning codes and other ordinances, procedures,
24	and policies governing zoning and land-use at
25	the local level.

1	(B) STATE ZONING FRAMEWORK.—The
2	term "State zoning framework" means the
3	State legislation or State agency and depart-
4	ment procedures, or such legislation or proce-
5	
6	enabling local planning and zoning authorities
7	and establishing and guiding related policies
8	and programs.
9	(4) Secretary.—The term "Secretary" means
10	the Secretary of Housing and Urban Development.
11	SEC. 4. GUIDELINES ON STATE AND LOCAL ZONING FRAME-
12	WORKS.
13	(a) Establishment.—Not later than 3 years after
14	the date of enactment of this section, the Assistant Sec-
15	retary shall publish documents outlining guidelines and
16	best practices to support production of adequate housing
17	to meet the needs of communities and provide housing op-
18	portunities for individuals at every income level across
19	communities with respect to—
20	(1) State zoning frameworks; and
21	(2) local zoning frameworks.
22	(b) Consultation; Public Comment.—During the
23	2 year period beginning on the date of enactment of this
24	section, in developing the guidelines and best practices re-

1	quired under the previous subsection, the Assistant Sec-
2	retary shall—
3	(1) publish draft guidelines in the Federal Reg-
4	ister for public comment; and
5	(2) establish a task force for the purpose of
6	providing consultation to draft guidelines published
7	under the previous clause, the members of which
8	shall include—
9	(A) planners and architects;
10	(B) advocates with experience in affordable
11	housing, community development efforts, and
12	fair housing;
13	(C) housing developers, including afford-
14	able and market-rate housing developers, manu-
15	factured housing developers, and other business
16	interests;
17	(D) community engagement experts and
18	community members impacted by zoning deci-
19	sions;
20	(E) public housing authorities and transit
21	authorities;
22	(F) members of local zoning and planning
23	boards and local and regional transportation
24	planning organizations;

1	(G) State officials responsible for housing
2	or land use, including members of State zoning
3	boards of appeals;
4	(H) academic researchers; and
5	(I) home builders.
6	(c) Contents.—The guidelines and best practices
7	required under subsection (a) shall—
8	(1) with respect to State zoning frameworks,
9	outline potential models for updated State enabling
10	legislation or State agency and department proce-
11	dures;
12	(2) include recommendations regarding—
13	(A) the reduction or elimination of parking
14	minimums;
15	(B) the increase in maximum floor area
16	ratio requirements and maximum building
17	heights and the reduction in minimum lot sizes
18	and set-back requirements;
19	(C) the elimination of restrictions against
20	accessory dwelling units;
21	(D) increasing by-right uses, including du-
22	plex, triplex, or quadplex buildings, across cities
23	or metropolitan areas, including mechanisms,
24	such as proximity to transit, to determine the
25	jurisdictional level for rezoning and ensures de-

1	velopment that does not disproportionately bur
2	den residents of economically distressed areas;
3	(E) review of by-right development pro-
4	posals to streamline review and reduce uncer-
5	tainty, including—
6	(i) nondiscretionary, ministerial re-
7	view; and
8	(ii) entitlement and design review
9	processes;
10	(F) the reduction of obstacles to a range of
11	housing types at all levels of affordability, in-
12	cluding manufactured and modular housing;
13	(G) State model zoning regulations for di-
14	recting local reforms, including mechanisms to
15	encourage adoption;
16	(H) provisions to encourage transit-ori-
17	ented development, including increased permis-
18	sible units per structure and reduced minimum
19	lot sizes near existing or planned public transit
20	stations;
21	(I) potential reforms to the public engage-
22	ment process, including—
23	(i) meaningful access for persons with
24	limited English proficiency and effective

1	communication improvements for persons
2	with disabilities;
3	(ii) leveraging of virtual meeting tech-
4	nologies; and
5	(iii) proactive outreach in commu-
6	nities;
7	(J) reforms to protest petition statutes;
8	(K) the standardization, reduction, or
9	elimination of impact fees;
10	(L) cost effective and appropriate building
11	codes;
12	(M) models for community benefit agree-
13	ments;
14	(N) mechanisms to preserve affordability,
15	limit disruption of low-income communities, and
16	prevent displacement of existing residents;
17	(O) with respect to State zoning frame-
18	works, a model for a State zoning appeals proc-
19	ess, which would—
20	(i) create a process for developers or
21	builders requesting a variance, conditional
22	use, or zoning district change or otherwise
23	petitioning a local zoning or planning
24	board for a project including a State-de-
25	fined amount of affordable housing to ap-

1	peal a rejection to a State body or regional
2	body empowered by the State;
3	(ii) establish qualifications for com-
4	munities to be exempted from the appeals
5	process based on their available stock of
6	affordable housing; and
7	(iii) establish a State zoning appeals
8	board to consider appeals to a variance re-
9	jection and objectively evaluate petitions
10	based on the potential for environmental
11	damage and infrastructural capacity;
12	(P) with respect to State zoning frame-
13	works, best practices on the disposition of land
14	owned by State governments for affordable
15	housing development;
16	(Q) with respect to local zoning frame-
17	works—
18	(i) the simplification and standardiza-
19	tion of existing zoning codes;
20	(ii) maximum review timelines;
21	(iii) differentiations between best
22	practices for rural, suburban, and urban
23	communities, and communities with dif-
24	ferent levels of density or population dis-
25	tribution; and

1	(iv) best practices for the disposition
2	of land owned by local governments; and
3	(R) other land use measures that promote
4	access to new housing opportunities identified
5	by the Secretary; and
6	(3) consider—
7	(A) local housing needs, including ways to
8	set and measure housing goals and targets;
9	(B) a range of affordability for rental
10	units, with a prioritization of units attainable to
11	extremely low-income, low-income, and mod-
12	erate income residents;
13	(C) a range of affordability for homeown-
14	ership units attainable to low-income and mod-
15	erate-income residents;
16	(D) with respect to State zoning frame-
17	works, distinctions between States providing
18	constitutional or statutory home rule authority
19	to municipalities and States operating under
20	the Dillon rule, as articulated in Hunter v.
21	Pittsburgh (207 U.S. 161 (1907));
22	(E) accountability measures;
23	(F) the long-term cost to residents and
24	businesses if more housing is not constructed:

1	(G) barriers to individuals seeking to ac-
2	cess affordable housing in growing communities
3	and communities with economic opportunity;
4	(H) consistency with respect to fair hous-
5	ing and civil rights requirements;
6	(I) effects of adopting any recommenda-
7	tions on eligibility for Federal discretionary
8	grants under the Department of Housing and
9	Urban Development, the Department of Trans-
10	portation, and the Department of Agriculture,
11	and tax credits for the purpose of housing or
12	community development;
13	(J) coordination between infrastructure in-
14	vestments and housing planning;
15	(K) with respect to State zoning frame-
16	works, statewide mechanisms to preserve exist-
17	ing affordability over the long term, including
18	support for land banks and community land
19	trusts;
20	(L) with respect to State zoning frame-
21	works, guidance to States on collecting and
22	maintaining proactive data on the current rent-
23	al housing market and rental registries;
24	(M) public comments described in sub-
25	section (b)(1); and

-	(N) other considerations as identified by
2	
3	SEC. 5. REPORTING.
4	Not later than 5 years after the date on which the
5	Assistant Secretary publishes the guidelines and best prac-
6	tices for State and local zoning frameworks, the Assistant
7	Secretary shall submit to Congress a report describing—
8	(1) the States that have adopted recommenda-
9	tions from the guidelines and best practices, pursu-
10	ant to section 4 of this Act;
11	(2) a summary of the localities that have adopt-
12	ed recommendations from the guidelines and best
13	practices, pursuant to Section 4 of this Act;
14	(3) a list of States that adopted a State zoning
15	framework;
16	(4) a summary of the modifications that each
17	State has made in their State zoning framework;
18	and
19	(5) a general summary of the types of updates
20	localities have made to their local zoning framework.
21	SEC. 6. ABOLISHMENT OF REGULATORY BARRIERS CLEAR-
22	INGHOUSE.
23	(a) In General.—The Regulatory Barriers Clear-
24	inghouse established pursuant to section 1205 of the

- 1 Housing and Community Development Act of 1992 (42
- 2 U.S.C. 12705d) is abolished.
- 3 (b) Repeal.—Section 1205 of the Housing and
- 4 Community Development Act of 1992 (42 U.S.C. 12705d)
- 5 is repealed.
- 6 SEC. 7. AUTHORIZATION OF APPROPRIATIONS.
- There is authorized to be appropriated to the Sec-
- 8 retary of Housing and Urban Development to carry out
- 9 this Act \$3,000,000 for each of fiscal years 2026 through
- 10 2030.

 \bigcirc