DRAFT BILL -- "EXPANSION OF ATTAINABLE HOMEOWNERSHIP THROUGH MANUFACTURED HOUSING ACT OF 2025"

MHARR SUGGESTED MODIFICATION:

At P. 1, line 4-6; at P. 2, line 16-18; at P. 3, line 17-19; at P. 5, line 15-17, delete the term "attainable" and replace that term with "affordable" so as to be consistent with the 1974 Act, as amended, and other affordable housing legislation referencing manufactured housing.

MHARR RATIONALE AND JUSTIFICATION:

Pre-existing federal law, most particularly the 1974 Act, as amended, already refers <u>specifically</u> to federally-regulated manufactured housing as "affordable" housing and, just as importantly, makes it clear <u>exactly</u> what "affordability" means (<u>i.e.</u>, the initial acquisition price of the home) and who the beneficiary of that "affordability" must be (<u>i.e.</u>, the initial homebuyer). <u>See</u>, for example, section 5401(b) of the 1974 Act, as amended, which states that the purposes of the Act are, among other things, to:

- (1) "Protect the quality, durability, safety and affordability of manufactured homes:"
- (2) "Facilitate the availability of affordable manufactured homes;" and ...
- (8) "Ensure that the public interest in, and need for, <u>affordable</u> manufactured housing is duly considered in all determinations relating to the federal standards and their enforcement."

(Emphasis added). Moreover, the <u>concept</u> of acquisition price affordability for the home purchaser is prominently enshrined in section 5403(e)(4) of the 1974 Act, as amended, which provides that the Manufactured Housing Consensus Committee (MHCC) in recommending manufactured housing standards, regulations and related interpretations, and the HUD Secretary, in adopting standards, regulations and interpretations, "shall consider the probable effect" of such action "on the cost of the manufactured home to the public." (42 U.S.C. 5403(e)(4)).

To now associate the subjective, fundamentally meaningless and undefined term "attainable" with manufactured housing (even in the title of manufactured housing-related legislation), would create an unnecessary conflict between that term and the term and concept of "affordability," and potentially place an unintended legislative gloss on the term "affordability," (used in the 1974 Act as amended and in other federal and state statutes) which could undermine that concept and create an unnecessary and destructive avenue for the imposition of extreme and non-cost-effective standards on the manufactured housing industry and consumers.

Further, and just as indefensible from the perspective of MHARR, is that the term "attainable" has been specifically and extensively used for marketing purposes by the industry's largest manufacturer, Berkshire-Hathaway subsidiary Clayton Homes, Inc. (Clayton). For that same marketing term to now be inserted in federal legislation, would bestow an unwarranted and baseless imprimatur -- and implicit federal endorsement -- of Clayton proprietary products that

would discriminate against and be harmful to the legitimate market interests of other industry manufacturers and – most particularly --- smaller manufacturers as represented by MHARR.

[DISCUSSION DRAFT]

119TH CONGRESS 1ST SESSION

H.R.

To amend the definition of "manufactured home" in the National Manufactured Housing Construction and Safety Standards Act of 1974, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr.	Rose	introduced	the	following	bill;	which	was	referred	to	the	Committ	ee
		0	n									

A BILL

- To amend the definition of "manufactured home" in the National Manufactured Housing Construction and Safety Standards Act of 1974, 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 "Expansion of Attain-
- 5 able Homeownership Through Manufactured Housing Act
- 6 of 2025".

1	SEC. 2. UPDATING THE DEFINITION OF MANUFACTURED
2	HOME.
3	(a) In General.—Section 603(6) of the National
4	Manufactured Housing Construction and Safety Stand-
5	ards Act of 1974 (42 U.S.C. 5402(6)) is amended by
6	striking "on a permanent chassis" and inserting "with or
7	without a permanent chassis".
8	(b) Manufactured Home Certifications.—Sec-
9	tion 604 of the National Manufactured Housing Construc-
10	tion and Safety Standards Act of 1974 (42 U.S.C. 5403)
11	is amended by adding at the end the following:
12	"(i) Manufactured Home Certifications.—
13	"(1) In general.—
14	"(A) Initial certification.—Subject to
15	subparagraph (B), not later than 1 year after
16	the date of enactment of the Expansion of At-
17	tainable Homeownership Through Manufac-
18	tured Housing Act of 2025, a State shall sub-
19	mit to the Secretary an initial certification that
20	the laws and regulations of the State—
21	"(i) treat a manufactured home, in-
22	cluding a manufactured home without a
23	permanent chassis, in parity with a manu-
24	factured home (as defined and regulated
25	by the State): and

1	"(ii) subject a manufactured home
2	without a permanent chassis to the same
3	laws and regulations of the State as a
4	manufactured home built on a permanent
5	chassis with respect to financing, title, in-
6	surance, manufacture, sale, taxes, trans-
7	portation, installation, and other areas the
8	Secretary determines, after consultation
9	with and approval by the consensus com-
10	mittee, are necessary to give effect to the
11	purpose provided within this section.
12	"(B) EXTENDED DEADLINE.—With re-
13	spect to a State with a legislature that meets
14	biennially, the deadline for the submission of
15	the initial certification required under subpara-
16	graph (A) shall be 2 years after the date of en-
17	actment of the Expansion of Attainable Home-
18	ownership Through Manufactured Housing Act
19	of 2025 .
20	"(2) Form of Certification.—The initial
21	certification required under paragraph (1)(A) shall
22	contain, in a form prescribed by the Secretary, an
23	attestation by an official that the State has taken
24	the steps necessary to ensure the veracity of the cer-

1	tification required under paragraph (1)(A), includ-
2	ing, as necessary, by—
3	"(A) amending the definition of manufac-
4	tured home' in the laws and regulation of the
5	State; and
6	"(B) directing State agencies to amend the
7	definition of 'manufactured home' in regula-
8	tions.
9	"(3) ANNUAL RECERTIFICATION.—Not later
10	than a date to be determined by the Secretary each
11	year, the State shall submit to the Secretary an ad-
12	ditional certification that—
13	"(A) confirms the accuracy of initial cer-
14	tification submitted under paragraph (1)(A);
15	and
16	"(B) certifies that any new laws or regula-
17	tions enacted or adopted by the State since the
18	date of the previous certification does not
19	change the veracity of the initial certification
20	submitted under paragraph (1)(A).
21	"(4) List.—The Secretary shall publish and
22	maintain in the Federal Register and on the website
23	of the Department of Housing and Urban Develop-
24	ment a list of States that are up-to-date with the

1	submission of initial and subsequent certifications
2	required under this subsection.
3	"(5) Prohibition.—
4	"(A) Definition.—In this paragraph the
5	term 'covered manufactured home' means a
6	home that is—
7	"(i) not considered a manufactured
8	home under the laws and regulations of a
9	State because the home is constructed
10	without a permanent chassis;
1,1	"(ii) considered a manufactured home
12	under the definition of the term in section
13	603; and
14	"(iii) constructed after the date of en-
15	actment of the Expansion of Attainable
16	Homeownership Through Manufactured
17	Housing Act of 2025.
18	"(B) Building, installation, and
19	SALE.—
20	"(i) In general.—If a State does
21	not submit a certification under paragraph
22	(1)(A) or (3) by the date on which those
23	certifications are required to be sub-
24	mitted —

1	"(I) with respect to a State in
2	which the State administers the in-
3	stallation of manufactured homes, the
4	State shall prohibit the manufacture,
5	installation, or sale of a covered man-
6	ufactured home within the State; and
7	"(II) with respect to a State in
8	which the Secretary administers the
9	installation of manufactured homes,
10	the State and the Secretary shall pro-
11	hibit the manufacture, installation, or
12	sale of a covered manufactured home
13	within the State.".
14	(c) Other Federal Laws Regulating Manufac-
15	TURED HOMES.—The Secretary of Housing and Urban
16	Development shall coordinate with the heads of other Fed-
17	eral agencies to ensure that Federal agencies treat a man-
18	ufactured home (as defined in Federal laws and regula-
19	tions other than section 603 of the National Manufactured
20	Housing Construction and Safety Standards Act of 1974
21	(42 U.S.C. 5402)) in the same manner as a manufactured
22	home (as defined in section National Manufactured Hous-
23	ing Construction and Safety Standards Act of 1974 (42)
24	U.S.C. 5402), as amended by this Act).

1	(d) Assistance to States.—Section 609 of the Na-
2	tional Manufactured Housing Construction and Safety
3	Standards Act of 1974 (42 U.S.C. 5408) is amended—
4	(1) in paragraph (1), by striking "and" at the
5	end;
6	(2) in paragraph (2), by striking the period at
7	the end and inserting "; and"; and
8	(3) by adding at the end the following:
9	"(3) model guidance to support the submission
10	of the certification required under section 604(i) "

DRAFT BILL -- "PRIMARY AUTHORITY TO ESTABLISH MANUFACTURED HOUSING CONSTRUCTION AND SAFETY STANDARDS"

MHARR SUGGESTED MODIFICATION:

At page 2, line 7-9, after "Federal manufactured home construction and safety standards," add: ""or other standard, regulation or requirement affecting or impacting the construction or safety of a manufactured home (as defined by 42 U.S.C. 5402(6)), or the initial acquisition cost of a manufactured home to the purchaser thereof" – prior to the existing closing language of that subsection, "on or after the date of the enactment of this subsection."

MHARR RATIONALE AND JUSTIFICATION:

This additional language is necessary because:

- (1) The term "Federal Manufactured Home Construction and Safety Standard" is a statutory term of art that is <u>already</u> defined in federal law (<u>see</u>, 42 U.S.C. 5402(7));
- (2) Pursuant to pre-existing federal law, the Secretary of HUD <u>already</u> has primary if not <u>exclusive</u> authority to establish "Federal Manufactured Home Construction and Safety Standards" <u>per se</u> (<u>i.e.</u>, as that term is defined by the 1974 Act, as amended);
- (3) Federal agencies other than HUD have been granted authority (and could be granted further authority in the future) under statutes or mandates other than the 1974 Act, as amended, to establish regulations and/or standards that impact the construction and safety (and cost and affordability) of federally-regulated manufactured homes, but are not themselves denominated, styled or adopted as "Federal Manufactured Home Construction and Safety Standards" per se.

The manufactured housing "energy conservation" standards adopted by the U.S. Department of Energy (DOE) on May 31, 2022, under the purported statutory authority of section 413 of the Energy Independence and Security Act of 2007 (EISA), are a prime example of such a standard – adopted pursuant to statutory authority separate and distinct from the 1974 Act, as amended -- which would substantially impact the construction and cost of every manufactured home produced in the United States without itself being a "Federal Manufactured Home Construction and Safety Standard."

The additional language set forth above will make it clear that the HUD Secretary's authority to provide for the federal superintendence of the manufactured housing industry under the 1974 Act, as amended, and ensure the continuing purchase price affordability of manufactured housing (see, 24 C.F.R. 3282.11 (d)), cannot be undermined or interfered with by other federal agencies under extraneous grants of purported authority and that the uniformity and comprehensiveness of HUD federal manufactured housing regulation — a key factor underlying the affordability of manufactured homes—is fully and properly maintained. Accordingly, MHARR calls for this language to be added to the draft bill prior to any further action by Congress.

	(Original Signature of Member)
	TH CONGRESS H. R.
f	equire approval from the Secretary of Housing and Urban Development for any Federal manufactured home and safety standards, and for other ourposes.
	IN THE HOUSE OF REPRESENTATIVES
Mr. F	FLOOD introduced the following bill; which was referred to the Committee on
7	A BILL require approval from the Secretary of Housing and Urban Development for any Federal manufactured home and safety standards, and for other purposes.
1	, , ,
	Be it enacted by the Senate and House of Representa-
-	tives of the United States of America in Congress assembled,
	SECTION 1. PRIMARY AUTHORITY TO ESTABLISH MANU-
4	FACTURED HOME CONSTRUCTION AND SAFE-
5	TY STANDARDS.
6	The Housing and Community Development Act of
7	1974 (42 U.S.C. 5401 et seq.) is amended—

1	(1) in section $603(7)$, by inserting "energy effi-
2	ciency," after "design,"; and
3	(2) in section 604, by adding at the end the fol-
4	lowing new subsection:
5	"(i) Primary Authority to Establish Stand-
6	ARDS.—
7	"(1) In General.—The Secretary shall have
8	the primary authority to establish Federal manufac-
9	tured home construction and safety standards.
10	"(2) APPROVAL FROM SECRETARY.—
11	"(A) IN GENERAL.—The head of any Fed-
12	eral agency that seeks to establish a Federal
13	manufactured home construction and safety
14	standard on or after the date of the enactment
15	of this subsection—
16	"(i) shall submit to the Secretary a
17	proposal describing such standard; and
18	"(ii) may not establish such standard
19	without approval from the Secretary.
20	"(B) REJECTION OF STANDARDS.—The
21	Secretary shall reject the standards described in
22	subparagraph (A)—
23	"(i) if the standards would signifi-
24	cantly increase the cost of producing man-

1	ufactured homes, as determined by the
2	Secretary;
3	"(ii) if the standards conflict with ex-
4	isting manufactured home construction
5	and safety standards established by the
6	Secretary; or
7	"(iii) for any other reason as deter-
8	mined appropriate by the Secretary.
9	"(C) Rule of construction.—Nothing
10	in this subsection shall be construed to require
11	the Secretary to establish new or revised Fed-
12	eral manufactured home construction and safe-
13	ty standards.".