

By: Representative Stevens

To: Insurance

HOUSE BILL NO. 878

1 AN ACT TO AMEND SECTION 75-49-9, MISSISSIPPI CODE OF 1972, TO  
2 REQUIRE CERTAIN LICENSED DEALERS, TRANSPORTERS AND INSTALLERS OF  
3 FACTORY-BUILT HOMES TO OBTAIN A CASH BOND OR A SURETY BOND BEFORE  
4 DELIVERING HOMES FOR HUMAN HABITATION; TO PROVIDE THAT LICENSED  
5 DEALERS IN COMPLIANCE WITH SECTION 27-65-27 ARE EXEMPTED FROM THIS  
6 REQUIREMENT; AND FOR RELATED PURPOSES.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

8 **SECTION 1.** Section 75-49-9, Mississippi Code of 1972, is  
9 amended as follows:

10 75-49-9. (1) After July 1, 1992, every manufacturer, every  
11 transporter or installer and every dealer who sells, manufactures,  
12 transports or installs new or used factory-built homes within the  
13 State of Mississippi shall apply for and obtain a license from the  
14 commissioner.

15 (2) If a factory-built home is new, the applicant shall  
16 certify in the application to the commissioner that the applicant  
17 will comply with the construction standards set forth under rules  
18 and regulations provided in Section 75-49-5 herein, and that the  
19 applicant has obtained a current and valid tax identification  
20 number.

21 (3) Applications shall be obtained from and submitted to the  
22 commissioner on forms prescribed by the commissioner.

23 (4) The original license fee and all annual renewals thereof  
24 shall be Two Hundred Fifty Dollars (\$250.00) for manufacturing  
25 plants that build manufactured homes and Two Hundred Fifty Dollars  
26 (\$250.00) for manufacturing plants that manufacture relocatable  
27 (modular) homes located within or without the State of Mississippi  
28 manufacturing or delivering homes for sale within the State of  
29 Mississippi and One Hundred Fifty Dollars (\$150.00) per



30 manufactured home and/or relocatable (modular) home dealer  
31 location within the State of Mississippi. The licensing fee for a  
32 manufactured home and/or relocatable (modular) home independent  
33 contractor transporter or installer is One Hundred Dollars  
34 (\$100.00) for each company. The fee for relocatable (modular)  
35 home plan review shall be Four Hundred Dollars (\$400.00) per floor  
36 plan; however, this fee shall not apply to any relocatable  
37 (modular) home plan reviews completed before July 1, 1998. Except  
38 as otherwise provided in subsection (10) of this section, the  
39 license shall be valid for a period of one (1) year from the date  
40 of issuance, or until revoked as provided herein.

41 (5) After the effective date of this chapter, every  
42 manufacturer, transporter or installer or seller who first sells,  
43 manufactures, transports or installs a new or used factory-built  
44 home in this state, before such first construction, sale,  
45 transportation or installation shall apply for and obtain a  
46 license from the commissioner. The fee shall be paid to the  
47 commissioner in such manner as the commissioner may by rule  
48 require. All funds received by the commissioner shall be  
49 deposited in a special fund account in the State Treasury to the  
50 credit of the Department of Insurance.

51 (6) Every manufacturer of manufactured homes in the state  
52 shall pay a monitoring inspection fee to the Secretary of Housing  
53 and Urban Development, or the secretary's agent, for each  
54 manufactured home produced in the state by the manufacturer. The  
55 fee shall be in an amount established by the secretary pursuant to  
56 the National Manufactured Home Construction and Safety Standards  
57 Act of 1974, 42 USCS 5401 et seq. The portion of the fee which is  
58 returned to the state shall be deposited by the commissioner in a  
59 special fund account in the State Treasury to the credit of the  
60 Department of Insurance.

61 (7) The commissioner shall investigate and examine all  
62 applicants for all licenses by holding such hearings as he shall



63 deem necessary or conducting investigations or examinations, or  
64 any combination thereof, as to the fitness or expertise of the  
65 applicant for the type of license for which the applicant applied.  
66 A license shall be granted only to a person who bears a good  
67 reputation for honesty, trustworthiness, integrity and competency  
68 to transact the business in such a manner as to safeguard the  
69 interest of the public and only after satisfactory proof of such  
70 qualifications has been presented to the commissioner.

71 (8) The commissioner shall take all applicants under  
72 consideration after having examined them through oral or written  
73 examinations, or both, before granting any license. If the  
74 applicant is an individual, examination may be taken by his  
75 personal appearance for examination or by the appearance for  
76 examination of one or more of his responsible, full-time managing  
77 employees; and if a partnership or corporation or any other type  
78 of business or organization, by the examination of one or more of  
79 the responsible, full-time managing officers or members of the  
80 executive staff of the applicant's firm. Every application by an  
81 individual for a license to sell, transport or install new or used  
82 mobile, manufactured and relocatable homes shall be verified by  
83 the oath or affirmation of the applicant, and every such  
84 application by a partnership or corporation shall be verified by  
85 the oath or affirmation of a partner or an officer thereof. The  
86 applications for licenses shall be in such form and detail as the  
87 commissioner shall prescribe.

88 (9) The holder of any valid license issued by the  
89 commissioner at the time this section becomes effective shall be  
90 automatically issued an equivalent license in the same category  
91 for which his previous license was issued.

92 (10) Beginning July 1, 1988, every license issued under this  
93 chapter shall be issued annually and shall expire on June 30  
94 following the date upon which it was issued. License fees shall  
95 not be prorated for the remainder of the year in which the



96 application was made but shall be paid for the entire year  
97 regardless of the date of the application. The commissioner  
98 shall, on or before April 30, 1989, and on or before April 30 of  
99 each succeeding year thereafter, forward a "Notice of Renewal," by  
100 regular United States mail, to each licensee at his or its last  
101 known post office address. After depositing the "Notice of  
102 Renewal" in the United States mail, the commissioner shall have no  
103 other duty or obligation to notify the licensee of the expiration  
104 of his or its annual license. The failure of the licensee to  
105 obtain a renewal license on or before June 30 of the ensuing  
106 license period shall act as an automatic suspension of the license  
107 unless the commissioner, for good cause shown in writing and the  
108 payment of an amount equal to double the renewal fee for said  
109 delinquency, lifts the suspension and issues the renewal license.  
110 During the period of suspension any practice by the licensee under  
111 the color of such license shall be deemed a violation of this  
112 chapter. Annual renewals of a dealer's license shall require, as  
113 a condition precedent, that the dealer verify by oath or  
114 affirmation that he maintains a retail sales lot in accordance  
115 with all rules and regulations promulgated by the commissioner and  
116 that the lot has three (3) or more new or used factory-built homes  
117 located thereon for retail sale as a residential dwelling or for  
118 any other use at the time of application.

119 (11) No licensed dealer, transporter or installer shall  
120 deliver or cause to be delivered any factory-built home to any  
121 person at any site where such home is to be used for human  
122 habitation without first obtaining a cash bond or a surety bond  
123 approved by the Commissioner of Insurance in the amount of Ten  
124 Thousand Dollars (\$10,000.00) per licensed entity. Any licensed  
125 dealer, transporter or installer who is in compliance with Section  
126 27-65-27 on the effective date of this act is exempted from this  
127 subsection.



128           **SECTION 2.** This act shall take effect and be in force from  
129 and after July 1, 2002.

