

By: Senator(s) Kirby

To: Business and Financial
Institutions

SENATE BILL NO. 2459

1 AN ACT TO AMEND SECTION 75-49-9, MISSISSIPPI CODE OF 1972, TO
2 PROVIDE THAT NO LICENSED DEALER, TRANSPORTER OR INSTALLER SHALL
3 DELIVER OR CAUSE TO BE DELIVERED ANY FACTORY-BUILT HOME WITHOUT
4 OBTAINING A BOND IN A CERTAIN AMOUNT PER LICENSED ENTITY; TO
5 PROVIDE AN EXEMPTION THEREFOR; AND FOR RELATED PURPOSES.

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

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

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

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

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

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



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

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

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

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



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

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

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

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



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

118 (11) Beginning July 1, 2002, no licensed dealer, transporter
119 or installer shall deliver or cause to be delivered any
120 factory-built home to any person at any site where the home is to
121 be used for human habitation without obtaining a cash bond or
122 approved surety bond in the amount of Ten Thousand Dollars
123 (\$10,000.00) per licensed entity. This subsection shall not apply
124 to any licensed dealer, transporter or installer who is in
125 compliance with Section 27-65-27.

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

