

By: Representative Moore

To: Judiciary B; Insurance

## HOUSE BILL NO. 1552

1 AN ACT TO AMEND SECTION 75-49-3, MISSISSIPPI CODE OF 1972, TO  
2 REVISE THE DEFINITION OF "RELOCATABLE HOME," AND TO DEFINE THE  
3 TERM "DEVELOPER"; TO REMOVE THE TERM "RELOCATABLE HOME" THROUGHOUT  
4 THE UNIFORM STANDARDS CODE FOR FACTORY-BUILT HOME LAW; TO AMEND  
5 SECTIONS 75-49-9 AND 75-49-11, MISSISSIPPI CODE OF 1972, IN  
6 CONFORMITY THERETO; AND FOR RELATED PURPOSES.

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

8 **SECTION 1.** Section 75-49-3, Mississippi Code of 1972, is  
9 amended as follows:

10 75-49-3. Unless clearly indicated otherwise by the context,  
11 the following words when used in this chapter, for the purpose of  
12 this chapter, shall have the meanings respectively ascribed to  
13 them in this section:

14 (a) "Manufactured home" means a structure defined by,  
15 and constructed in accordance with, the National Manufactured  
16 Housing Construction and Safety Standards Act of 1974, as amended  
17 (42 USCS 5401, et seq.), and manufactured after June 14, 1976.

18 (b) "Mobile home" means a structure manufactured before  
19 June 15, 1976, that is not constructed in accordance with the  
20 National Manufactured Housing Construction and Safety Standards  
21 Act of 1974, as amended (42 USCS 5401 et seq.). It is a structure  
22 that is transportable in one or more sections, that, in the  
23 traveling mode, is eight (8) body feet or more in width and  
24 thirty-two (32) body feet or more in length, or, when erected on  
25 site, is two hundred fifty-six (256) or more square feet, and that  
26 is built on a permanent chassis and designed to be used as a  
27 dwelling with or without a permanent foundation when connected to  
28 the required utilities, and includes any plumbing, heating, air  
29 conditioning and electrical systems contained therein; except that

30 such term shall include any structure which meets all the  
31 requirements and with respect to which the manufacturer  
32 voluntarily files a certification required by the commissioner and  
33 complies with the standards established under this chapter.

34 (c) "Modular home" means a structure which is: (i)  
35 transportable in one or more sections; (ii) designed to be used as  
36 a dwelling when connected to the required utilities, and includes  
37 plumbing, heating, air conditioning and electrical systems with  
38 the home; and (iii) certified by its manufacturers as being  
39 constructed in accordance with a nationally recognized building  
40 code.

41 (d) "Factory-built home" means a mobile home, a  
42 manufactured home, and a modular home as those terms are defined  
43 herein.

44 (e) "Commissioner" means the Commissioner of Insurance  
45 of the State of Mississippi.

46 (f) "Chief Deputy State Fire Marshal" means the  
47 individual appointed by the Commissioner of Insurance, who, along  
48 with his employees, is designated by the commissioner to implement  
49 and enforce this chapter and to maintain, among other duties, the  
50 Manufactured Housing Division of the Insurance Department.

51 (g) "Division" means the Manufactured Housing Division  
52 of the State Fire Marshal's Office.

53 (h) "Person" means any individual, firm, corporation,  
54 partnership, association or other type of business entity.

55 (i) "Dealer" means any person engaged in the retail  
56 sale of new or used manufactured mobile or modular homes to the  
57 general public.

58 (j) "Developer" means any person who buys factory-built  
59 homes and real estate and then offers to sell or lease to the  
60 general public land-home "package deals" consisting of a home with  
61 real estate. Upon renewal of a license, a developer must provide  
62 documentation to the Department of Insurance that he or she has at

63 least five (5) available manufactured or modular home sites. A  
64 developer shall be responsible for installation requirements for  
65 manufactured or modular housing as set forth in Section IV of the  
66 rules and regulations for the Uniform Standards Code for  
67 Factory-Built Homes Law.

68 (k) "Independent contractor installer or transporter"  
69 means any person who is engaged for hire in the movement or  
70 transportation, or both, or the installation, blocking, anchoring  
71 and tie-down of a factory-built home. An "independent contractor  
72 installer or transporter" shall not include persons who do not  
73 hold themselves out for hire to the general public for the  
74 purposes described in this definition.

75 (l) "Manufacturer" means any person engaged in the  
76 production (construction) of manufactured homes or modular homes.

77 **SECTION 2.** Section 75-49-9, Mississippi Code of 1972, is  
78 amended as follows:

79 75-49-9. (1) After July 1, 1992, every manufacturer, every  
80 transporter or installer and every dealer who sells, manufactures,  
81 transports or installs new or used factory-built homes within the  
82 State of Mississippi shall apply for and obtain a license from the  
83 commissioner.

84 (2) If a factory-built home is new, the applicant shall  
85 certify in the application to the commissioner that the applicant  
86 will comply with the construction standards set forth under rules  
87 and regulations provided in Section 75-49-5 herein, and that the  
88 applicant has obtained a current and valid tax identification  
89 number.

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

92 (4) The original license fee and all annual renewals thereof  
93 shall be Two Hundred Fifty Dollars (\$250.00) for manufacturing  
94 plants that build manufactured homes and Two Hundred Fifty Dollars  
95 (\$250.00) for manufacturing plants that manufacture \* \* \* modular

96 homes located within or without the State of Mississippi  
97 manufacturing or delivering homes for sale within the State of  
98 Mississippi and One Hundred Fifty Dollars (\$150.00) per  
99 manufactured home and/or \* \* \* modular home dealer location and  
100 developer location within the State of Mississippi. The licensing  
101 fee for a manufactured home and/or \* \* \* modular home independent  
102 contractor transporter or installer is One Hundred Dollars  
103 (\$100.00) for each company. The fee for \* \* \* modular home plan  
104 review shall be Four Hundred Dollars (\$400.00) per floor plan;  
105 however, this fee shall not apply to any \* \* \* modular home plan  
106 reviews completed before July 1, 1998. Except as otherwise  
107 provided in subsection (10) of this section, the license shall be  
108 valid for a period of one (1) year from the date of issuance, or  
109 until revoked as provided herein.

110 (5) After the effective date of this chapter, every  
111 manufacturer, transporter or installer or seller who first sells,  
112 manufactures, transports or installs a new or used factory-built  
113 home in this state, before such first construction, sale,  
114 transportation or installation shall apply for and obtain a  
115 license from the commissioner. The fee shall be paid to the  
116 commissioner in such manner as the commissioner may by rule  
117 require. All funds received by the commissioner shall be  
118 deposited in a special fund account in the State Treasury to the  
119 credit of the Department of Insurance.

120 (6) Every manufacturer of manufactured homes in the state  
121 shall pay a monitoring inspection fee to the Secretary of Housing  
122 and Urban Development, or the secretary's agent, for each  
123 manufactured home produced in the state by the manufacturer. The  
124 fee shall be in an amount established by the secretary pursuant to  
125 the National Manufactured Home Construction and Safety Standards  
126 Act of 1974, 42 USCS 5401 et seq. The portion of the fee which is  
127 returned to the state shall be deposited by the commissioner in a

128 special fund account in the State Treasury to the credit of the  
129 Department of Insurance.

130 (7) The commissioner shall investigate and examine all  
131 applicants for all licenses by holding such hearings as he shall  
132 deem necessary or conducting investigations or examinations, or  
133 any combination thereof, as to the fitness or expertise of the  
134 applicant for the type of license for which the applicant applied.  
135 A license shall be granted only to a person who bears a good  
136 reputation for honesty, trustworthiness, integrity and competency  
137 to transact the business in such a manner as to safeguard the  
138 interest of the public and only after satisfactory proof of such  
139 qualifications has been presented to the commissioner.

140 (8) The commissioner shall take all applicants under  
141 consideration after having examined them through oral or written  
142 examinations, or both, before granting any license. If the  
143 applicant is an individual, examination may be taken by his  
144 personal appearance for examination or by the appearance for  
145 examination of one or more of his responsible, full-time managing  
146 employees; and if a partnership or corporation or any other type  
147 of business or organization, by the examination of one or more of  
148 the responsible, full-time managing officers or members of the  
149 executive staff of the applicant's firm. Every application by an  
150 individual for a license to sell, transport or install new or used  
151 mobile, manufactured and modular homes shall be verified by the  
152 oath or affirmation of the applicant, and every such application  
153 by a partnership or corporation shall be verified by the oath or  
154 affirmation of a partner or an officer thereof. The applications  
155 for licenses shall be in such form and detail as the commissioner  
156 shall prescribe.

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

161           (10) Beginning July 1, 1988, every license issued under this  
162 chapter shall be issued annually and shall expire on June 30  
163 following the date upon which it was issued. License fees shall  
164 not be prorated for the remainder of the year in which the  
165 application was made but shall be paid for the entire year  
166 regardless of the date of the application. The commissioner  
167 shall, on or before April 30, 1989, and on or before April 30 of  
168 each succeeding year thereafter, forward a "Notice of Renewal," by  
169 regular United States mail, to each licensee at his or its last  
170 known post office address. After depositing the "Notice of  
171 Renewal" in the United States mail, the commissioner shall have no  
172 other duty or obligation to notify the licensee of the expiration  
173 of his or its annual license. The failure of the licensee to  
174 obtain a renewal license on or before June 30 of the ensuing  
175 license period shall act as an automatic suspension of the license  
176 unless the commissioner, for good cause shown in writing and the  
177 payment of an amount equal to double the renewal fee for said  
178 delinquency, lifts the suspension and issues the renewal license.  
179 During the period of suspension any practice by the licensee under  
180 the color of such license shall be deemed a violation of this  
181 chapter. Annual renewals of a dealer's license shall require, as  
182 a condition precedent, that the dealer verify by oath or  
183 affirmation that he maintains a retail sales lot in accordance  
184 with all rules and regulations promulgated by the commissioner and  
185 that the lot has three (3) or more new or used factory-built homes  
186 located thereon for retail sale as a residential dwelling or for  
187 any other use at the time of application.

188           **SECTION 3.** Section 75-49-11, Mississippi Code of 1972, is  
189 amended as follows:

190           75-49-11. The commissioner, acting through the Chief Deputy  
191 State Fire Marshal and the Manufactured Housing Division of the  
192 Insurance Department, is hereby charged with the administration of  
193 this chapter. He may make and amend, alter or repeal, general

194 rules and regulations of procedure for carrying into effect all  
195 provisions of this chapter, for obtaining statistical data  
196 respecting manufactured mobile and modular homes, and to prescribe  
197 means, methods and practices to make effective such provisions and  
198 he may make such investigations and inspection as in his judgment  
199 are necessary to enforce and administer this chapter.

200         The commissioner is authorized and empowered to require each  
201 manufacturer, distributor, dealer and transporter or installer of  
202 factory-built homes to establish and maintain such records, make  
203 such reports and provide such information as he may reasonably  
204 require to determine whether the manufacturer, distributor,  
205 dealer, transporter or installer has acted or is acting in  
206 compliance with this chapter and the National Manufactured Housing  
207 Construction and Safety Standards Act of 1974, as amended (42 USCS  
208 5401 et seq.), and other rules and regulations prescribed  
209 according to this chapter. The commissioner, or a person duly  
210 designated by the commissioner, is authorized to inspect  
211 appropriate books, papers, records and documents of any  
212 manufacturer, distributor, dealer, transporter or installer of  
213 factory-built homes which are relevant to determining if the  
214 licensee has acted or is acting in compliance with this chapter  
215 and the Federal Manufactured Home Construction and Safety  
216 Standards (24 CFR Section 3280) and other rules and regulations  
217 prescribed according to this chapter.

218         **SECTION 4.** This act shall take effect and be in force from  
219 and after July 1, 2005.