

By: Senator(s) Kirby

To: Insurance

SENATE BILL NO. 2943

1 AN ACT TO AMEND SECTION 75-49-3, MISSISSIPPI CODE OF 1972, TO
2 DEFINE THE TERMS "MODULAR HOME" AND "DEVELOPER" AS THEY RELATE TO
3 THE UNIFORM STANDARDS CODE FOR FACTORY-BUILT HOMES LAW; TO AMEND
4 SECTION 75-49-9, MISSISSIPPI CODE OF 1972, TO REQUIRE LICENSE FEE
5 PER DEVELOPER LOCATION; AND FOR RELATED PURPOSES.

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

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

9 75-49-3. Unless clearly indicated otherwise by the context,
10 the following words when used in this chapter, for the purpose of
11 this chapter, shall have the meanings respectively ascribed to
12 them in this section:

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

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

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

33 (c) "Modular home" means a * * * structure which is:

34 (i) Transportable in one or more sections;

35 (ii) Designed to be used as a dwelling when
36 connected to the required utilities, and includes the plumbing,
37 heating, air conditioning and electrical systems contained
38 therein; and

39 (iii) Certified by its manufacturer as being
40 constructed in accordance with a nationally recognized building
41 code.

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

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

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

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

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

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

59 (j) "Developer" means any person who buys factory-built
60 homes and real estate and then offers to sell or lease to the
61 general public land-home "package deals" consisting of home with

62 real estate. Upon renewal of license, a developer must provide
63 documentation to the Department of Insurance that he has at least
64 five (5) available manufactured or modular home sites. A
65 developer shall be responsible for installation requirements for
66 manufactured or modular housing as provided in Section IV of the
67 rules and regulations for the Uniform Standards Code for the
68 Factory-Built Homes Law Regulation MH-4.

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

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

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

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

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

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

93 (4) The original license fee and all annual renewals thereof
94 shall be Two Hundred Fifty Dollars (\$250.00) for manufacturing

95 plants that build manufactured homes and Two Hundred Fifty Dollars
96 (\$250.00) for manufacturing plants that manufacture * * * modular
97 homes located within or without the State of Mississippi
98 manufacturing or delivering homes for sale within the State of
99 Mississippi and One Hundred Fifty Dollars (\$150.00) per
100 manufactured home and/or * * * modular home dealer location and
101 developer location within the State of Mississippi. The licensing
102 fee for a manufactured home and/or * * * modular home independent
103 contractor transporter or installer is One Hundred Dollars
104 (\$100.00) for each company. The fee for * * * modular home plan
105 review shall be Four Hundred Dollars (\$400.00) per floor plan;
106 however, this fee shall not apply to any * * * modular home plan
107 reviews completed before July 1, 1998. Except as otherwise
108 provided in subsection (10) of this section, the license shall be
109 valid for a period of one (1) year from the date of issuance, or
110 until revoked as provided herein.

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

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

128 returned to the state shall be deposited by the commissioner in a
129 special fund account in the State Treasury to the credit of the
130 Department of Insurance.

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

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

158 (9) The holder of any valid license issued by the
159 commissioner at the time this section becomes effective shall be

160 automatically issued an equivalent license in the same category
161 for which his previous license was issued.

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

189 **SECTION 3.** This act shall take effect and be in force from
190 and after its passage.