

By: Representative Moak

To: Ways and Means

HOUSE BILL NO. 1108

1 AN ACT TO AMEND SECTION 75-49-3, MISSISSIPPI CODE OF 1972, TO  
2 REVISE THE DEFINITION OF MODULAR HOMES AND TO DEFINE THE TERM  
3 MODULAR HOME CONTRACTOR; TO AMEND SECTION 75-49-9, MISSISSIPPI  
4 CODE OF 1972, IN CONFORMITY; AND FOR RELATED PURPOSES.

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

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

8 75-49-3. Unless clearly indicated otherwise by the context,  
9 the following words when used in this chapter, for the purpose of  
10 this chapter, shall have the meanings respectively ascribed to  
11 them in this section:

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

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

29 requirements and with respect to which the manufacturer  
30 voluntarily files a certification required by the commissioner and  
31 complies with the standards established under this chapter.

32 (c) "Modular home" means a structure which is: (i)  
33 transportable in one or more sections; (ii) designed to be used as  
34 a dwelling when connected to the required utilities, and includes  
35 plumbing, heating, air conditioning and electrical systems with  
36 the home; \* \* \* (iii) certified by its manufacturers as being  
37 constructed in accordance with a nationally recognized building  
38 code; and (iv) designed to be permanently installed at its final  
39 destination on an approved foundation constructed in compliance  
40 with a nationally recognized building code. The term "modular  
41 home" does not include manufactured housing as defined by the  
42 National Manufactured Housing Construction and Safety Standards  
43 Act of 1974.

44 (d) "Modular home contractor" means a licensed  
45 residential building contractor or a licensed retailer who buys  
46 factory-built modular homes for resale to the general public,  
47 whether to be located on the consumer's home site or a land-home  
48 package on property owned by the modular home contractor. A  
49 Mississippi licensed modular home contractor is authorized to sell  
50 new modular homes for installation on a consumer's home site or as  
51 part of a land-home package without the necessity of maintaining a  
52 separate sales center. A modular home contractor shall be  
53 responsible for the installation requirements for modular housing  
54 as provided in Section IV of the rules and regulations for Uniform  
55 Standards Code for the Factory-built Homes as related to modular  
56 homes.

57 (e) "Factory-built home" means a mobile home, a  
58 manufactured home, and a modular home as those terms are defined  
59 herein.

60 (f) "Commissioner" means the Commissioner of Insurance  
61 of the State of Mississippi.

62           (g) "Chief Deputy State Fire Marshal" means the  
63 individual appointed by the Commissioner of Insurance, who, along  
64 with his employees, is designated by the commissioner to implement  
65 and enforce this chapter and to maintain, among other duties, the  
66 Factory Built Division of the Insurance Department.

67           (h) "Division" means the Factory Built Division of the  
68 State Fire Marshal's Office.

69           (i) "Person" means any individual, firm, corporation,  
70 partnership, association or other type of business entity.

71           (j) "Retailer" means any person engaged in the retail  
72 sale of new or used manufactured mobile or modular homes to the  
73 general public.

74           (k) "Developer" means any person who buys factory-built  
75 homes and real estate and then offers to sell or lease to the  
76 general public land-home "package deals" consisting of a home with  
77 real estate. Upon renewal of a license, a developer must provide  
78 documentation to the Department of Insurance that he or she has at  
79 least five (5) available manufactured or modular home sites. A  
80 developer shall be responsible for installation requirements for  
81 manufactured or modular housing as set forth in Section IV of the  
82 rules and regulations for the Uniform Standards Code for  
83 Factory-Built Homes Law.

84           (l) "Independent contractor installer or transporter"  
85 means any person who is engaged for hire in the movement or  
86 transportation, or both, or the installation, blocking, anchoring  
87 and tie-down of a factory-built home. An "independent contractor  
88 installer or transporter" shall not include persons who do not  
89 hold themselves out for hire to the general public for the  
90 purposes described in this definition.

91           (m) "Manufacturer" means any person engaged in the  
92 production (construction) of manufactured homes or modular homes.

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

95           75-49-9. (1) After July 1, 1992, every manufacturer, every  
96 transporter or installer, developer and every retailer who sells,  
97 manufactures, transports or installs new or used factory-built  
98 homes within the State of Mississippi shall apply for and obtain a  
99 license from the commissioner.

100           (2) If a factory-built home is new, the applicant shall  
101 certify in the application to the commissioner that the applicant  
102 will comply with the construction standards set forth under rules  
103 and regulations provided in Section 75-49-5 herein, and that the  
104 applicant has obtained a current and valid tax identification  
105 number.

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

108           (4) The original license fee and all annual renewals thereof  
109 shall be Two Hundred Fifty Dollars (\$250.00) for manufacturing  
110 plants that build manufactured homes and Two Hundred Fifty Dollars  
111 (\$250.00) for manufacturing plants that manufacture modular homes  
112 located within or without the State of Mississippi manufacturing  
113 or delivering homes for sale within the State of Mississippi and  
114 One Hundred Fifty Dollars (\$150.00) per manufactured home and/or  
115 modular home retailer location and developer location and modular  
116 home contractor within the State of Mississippi. The licensing  
117 fee for a manufactured home and/or modular home independent  
118 contractor transporter or installer is One Hundred Dollars  
119 (\$100.00) for each company. The fee for modular home plan review  
120 shall be Four Hundred Dollars (\$400.00) per floor plan; however,  
121 this fee shall not apply to any modular home plan reviews  
122 completed before July 1, 1998. Except as otherwise provided in  
123 subsection (10) of this section, the license shall be valid for a  
124 period of one (1) year from the date of issuance, or until revoked  
125 as provided herein.

126           (5) After the effective date of this chapter, every  
127 manufacturer, transporter or installer or seller who first sells,

128 manufactures, transports or installs a new or used factory-built  
129 home in this state, before such first construction, sale,  
130 transportation or installation shall apply for and obtain a  
131 license from the commissioner. The fee shall be paid to the  
132 commissioner in such manner as the commissioner may by rule  
133 require. All funds received by the commissioner shall be  
134 deposited in a special fund account in the State Treasury to the  
135 credit of the Department of Insurance.

136 (6) Every manufacturer of manufactured homes in the state  
137 shall pay a monitoring inspection fee to the Secretary of Housing  
138 and Urban Development, or the secretary's agent, for each  
139 manufactured home produced in the state by the manufacturer. The  
140 fee shall be in an amount established by the secretary pursuant to  
141 the National Manufactured Home Construction and Safety Standards  
142 Act of 1974, 42 USCS 5401 et seq. and as amended by the  
143 Manufactured Housing Improvement Act of 2000. The portion of the  
144 fee which is returned to the state shall be deposited by the  
145 commissioner in a special fund account in the State Treasury to  
146 the credit of the Department of Insurance.

147 (7) The commissioner shall investigate and examine all  
148 applicants for all licenses by holding such hearings as he shall  
149 deem necessary or conducting investigations or examinations, or  
150 any combination thereof, as to the fitness or expertise of the  
151 applicant for the type of license for which the applicant applied.  
152 A license shall be granted only to a person who bears a good  
153 reputation for honesty, trustworthiness, integrity and competency  
154 to transact the business in such a manner as to safeguard the  
155 interest of the public and only after satisfactory proof of such  
156 qualifications has been presented to the commissioner.

157 (8) The commissioner shall take all applicants under  
158 consideration after having examined them through oral or written  
159 examinations, or both, before granting any license. If the  
160 applicant is an individual, examination may be taken by his

161 personal appearance for examination or by the appearance for  
162 examination of one or more of his responsible, full-time managing  
163 employees; and if a partnership or corporation or any other type  
164 of business or organization, by the examination of one or more of  
165 the responsible, full-time managing officers or members of the  
166 executive staff of the applicant's firm. Every application by an  
167 individual for a license to sell, transport or install new or used  
168 mobile, manufactured and modular homes shall be verified by the  
169 oath or affirmation of the applicant, and every such application  
170 by a partnership or corporation shall be verified by the oath or  
171 affirmation of a partner or an officer thereof. The applications  
172 for licenses shall be in such form and detail as the commissioner  
173 shall prescribe.

174 (9) The holder of any valid license issued by the  
175 commissioner at the time this section becomes effective shall be  
176 automatically issued an equivalent license in the same category  
177 for which his previous license was issued if the licensee is in  
178 compliance with this chapter.

179 (10) Beginning July 1, 1988, every license issued under this  
180 chapter shall be issued annually and shall expire on June 30  
181 following the date upon which it was issued. License fees shall  
182 not be prorated for the remainder of the year in which the  
183 application was made but shall be paid for the entire year  
184 regardless of the date of the application. The commissioner  
185 shall, on or before April 30, 1989, and on or before April 30 of  
186 each succeeding year thereafter, forward a "Notice of Renewal," by  
187 regular United States mail, to each licensee at his or its last  
188 known post office address. After depositing the "Notice of  
189 Renewal" in the United States mail, the commissioner shall have no  
190 other duty or obligation to notify the licensee of the expiration  
191 of his or its annual license. The failure of the licensee to  
192 obtain a renewal license on or before June 30 of the ensuing  
193 license period shall act as an automatic suspension of the license

194 unless the commissioner, for good cause shown in writing and the  
195 payment of an amount equal to double the renewal fee for said  
196 delinquency, lifts the suspension and issues the renewal license.  
197 During the period of suspension any practice by the licensee under  
198 the color of such license shall be deemed a violation of this  
199 chapter. Annual renewals of a retailer's license shall require,  
200 as a condition precedent, that the retailer verify by oath or  
201 affirmation that he maintains a retail sales lot in accordance  
202 with all rules and regulations promulgated by the commissioner and  
203 that the lot has three (3) or more new or used factory-built homes  
204 located thereon for retail sale as a residential dwelling or for  
205 any other use at the time of application.

206       **SECTION 3.** This act shall take effect and be in force from  
207 and after July 1, 2007.