

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.