

By: Senator(s) Kirby

To: Insurance; Business and  
Financial Institutions

SENATE BILL NO. 2577

1 AN ACT TO AMEND SECTION 75-49-3, MISSISSIPPI CODE OF 1972, TO  
2 REVISE THE DEFINITION OF THE TERM "MODULAR HOME" AND TO DEFINE THE  
3 TERM "MODULAR HOME CONTRACTOR" AS THEY RELATE TO THE UNIFORM  
4 STANDARDS CODE FOR FACTORY-BUILT HOMES LAW; TO AMEND SECTION  
5 75-49-9, MISSISSIPPI CODE OF 1972, TO PROVIDE FOR A LICENSE FEE  
6 PER MODULAR HOME CONTRACTOR; 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; and designed to be permanently installed at its final  
41 destination on an approved foundation constructed in compliance  
42 with a nationally recognized building code. The term "Modular  
43 home" does not include manufactured housing as defined by the  
44 National Manufactured Housing Construction and Safety Standards  
45 Act of 1974.

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

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

62           (f) "Commissioner" means the Commissioner of Insurance  
63 of the State of Mississippi.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

159           (8) The commissioner shall take all applicants under  
160 consideration after having examined them through oral or written

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

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

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

194 obtain a renewal license on or before June 30 of the ensuing  
195 license period shall act as an automatic suspension of the license  
196 unless the commissioner, for good cause shown in writing and the  
197 payment of an amount equal to double the renewal fee for said  
198 delinquency, lifts the suspension and issues the renewal license.  
199 During the period of suspension any practice by the licensee under  
200 the color of such license shall be deemed a violation of this  
201 chapter. Annual renewals of a retailer's license shall require,  
202 as a condition precedent, that the retailer verify by oath or  
203 affirmation that he maintains a retail sales lot in accordance  
204 with all rules and regulations promulgated by the commissioner and  
205 that the lot has three (3) or more new or used factory-built homes  
206 located thereon for retail sale as a residential dwelling or for  
207 any other use at the time of application.

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