

By: Senator(s) Kirby

To: Insurance

COMMITTEE SUBSTITUTE  
FOR  
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 Factory-Built 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) "Retailer" 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 retailer who sells,  
82 manufactures, transports or installs new or used factory-built  
83 homes within the State of Mississippi shall apply for and obtain a  
84 license from the 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 \* \* \*, 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 retailer 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. and as amended by the

128 Manufactured Housing Improvement Act of 2000. The portion of the  
129 fee which is returned to the state shall be deposited by the  
130 commissioner in a special fund account in the State Treasury to  
131 the credit of the Department of Insurance.

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

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

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

161 automatically issued an equivalent license in the same category  
162 for which his previous license was issued if licensee is in  
163 compliance with this chapter.

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

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

193           75-49-11. The commissioner, acting through the Chief Deputy  
194 State Fire Marshal and the Factory-Built Housing Division of the  
195 Insurance Department, is hereby charged with the administration of  
196 this chapter. He may make and amend, alter or repeal, general  
197 rules and regulations of procedure for carrying into effect all  
198 provisions of this chapter, for obtaining statistical data  
199 respecting manufactured mobile and modular homes, and to prescribe  
200 means, methods and practices to make effective such provisions and  
201 he may make such investigations and inspection as in his judgment  
202 are necessary to enforce and administer this chapter.

203           The commissioner is authorized and empowered to require each  
204 manufacturer, distributor, retailer and transporter or installer  
205 of factory-built homes to establish and maintain such records,  
206 make such reports and provide such information as he may  
207 reasonably require to determine whether the manufacturer,  
208 distributor, retailer, transporter or installer has acted or is  
209 acting in compliance with this chapter and the National  
210 Manufactured Housing Construction and Safety Standards Act of  
211 1974, as amended (42 USCS 5401 et seq.), and as amended by the  
212 Manufactured Housing Improvement Act of 2000 and other rules and  
213 regulations prescribed according to this chapter. The  
214 commissioner, or a person duly designated by the commissioner, is  
215 authorized to inspect appropriate books, papers, records and  
216 documents of any manufacturer, distributor, retailer, transporter  
217 or installer of factory-built homes which are relevant to  
218 determining if the licensee has acted or is acting in compliance  
219 with this chapter and the Federal Manufactured Home Construction  
220 and Safety Standards (24 CFR Section 3280) and other rules and  
221 regulations prescribed according to this chapter.

222           **SECTION 4.** This act shall take effect and be in force from  
223 and after its passage.