

115TH CONGRESS  
1ST SESSION

# H. R. 515

To authorize the Secretary of Housing and Urban Development to provide grants and loans to owners of dated manufactured homes for the replacement of such dated manufactured homes with Energy Star-qualified manufactured or modular homes, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 13, 2017

Mr. ELLISON introduced the following bill; which was referred to the  
Committee on Financial Services

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## A BILL

To authorize the Secretary of Housing and Urban Development to provide grants and loans to owners of dated manufactured homes for the replacement of such dated manufactured homes with Energy Star-qualified manufactured or modular homes, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Energy Efficient Man-  
5 ufactured Home Act of 2017”.

1 **SEC. 2. ASSISTANCE FOR REPLACEMENT OF DATED MANU-**  
2 **FACTURED HOMES WITH ENERGY-EFFICIENT**  
3 **MANUFACTURED AND MODULAR HOMES.**

4 (a) **AUTHORITY.**—The Secretary of Housing and  
5 Urban Development may carry out a program under this  
6 section to provide grants to assist low-income, very low-  
7 income, and extremely low-income owners of dated manu-  
8 factured homes for the replacement of such dated manu-  
9 factured homes with Energy Star-qualified manufactured  
10 or modular homes.

11 (b) **GRANTS.**—

12 (1) **ELIGIBLE ENTITIES.**—The Secretary may  
13 provide grants under this section only to—

- 14 (A) State housing finance agencies;  
15 (B) units of general local government; and  
16 (C) qualified nonprofit organizations.

17 (2) **COMPETITION; PRIORITY.**—The Secretary  
18 shall provide grants under this section through com-  
19 petition that provides priority to applicants for such  
20 grants that, in accordance with criteria established  
21 by the Secretary—

- 22 (A) demonstrate that providing a grant to  
23 the applicant would result in substantial energy  
24 gains and returns on investment on replacement  
25 of dated manufactured homes;

1 (B) will use grants in areas having the in-  
2 frastructure or planned infrastructure necessary  
3 to replace dated manufactured homes;

4 (C) will act in partnership with providers  
5 of high quality affordable lending products that  
6 enable sustainable homeownership; or

7 (D) will supplement assistance provided to  
8 eligible owners of dated manufactured homes  
9 pursuant to a grant under this section with  
10 funds from other sources, and provide such as-  
11 surances as the Secretary considers necessary  
12 to ensure that such supplemental amounts are  
13 available for such purpose.

14 (3) USE OF FUNDS.—A grantee shall use  
15 amounts from a grant provided under this section  
16 only to provide assistance to owners of dated manu-  
17 factured homes in accordance with subsection (c).

18 (4) FAILURE BY GRANTEES TO ACT.—If a  
19 grantee fails to use any portion of grant provided  
20 under this section during the 36-month period begin-  
21 ning on the date of receipt of the grant amounts—

22 (A) the unused amount of the grant shall  
23 revert to the Secretary; and

1 (B) the Secretary shall make such amounts  
2 available under the competition required under  
3 paragraph (2).

4 (c) ASSISTANCE.—Assistance under this subsection  
5 shall be assistance designed to enable the owner of a dated  
6 manufactured home to afford to replace or decommission  
7 such manufactured home, subject to the following condi-  
8 tions:

9 (1) FORM OF ASSISTANCE.—A grantee may  
10 provide assistance under this subsection to the  
11 owner of a dated manufactured home only in the fol-  
12 lowing forms:

13 (A) A grant or loan for use toward the  
14 purchase of a new Energy Star-qualified manu-  
15 factured or modular home. The Secretary shall  
16 establish such requirements for loans made with  
17 assistance provided under this subsection, and  
18 servicers of such loans, as necessary to ensure  
19 that such loans are high quality affordable lend-  
20 ing products that enable sustainable homeown-  
21 ership.

22 (B) A grant for the decommissioning, and  
23 any related costs, of a dated manufactured  
24 home.

1           (2) INCOME AND PRIMARY RESIDENCE RE-  
2           QUIREMENTS.—A grant or loan under this sub-  
3           section may be made only to the owner of a dated  
4           manufactured home who—

5                   (A) is a low-, very low-, or extremely low-  
6                   income family; and

7                   (B) has used such manufactured home as  
8                   a primary residence on a year-round basis for  
9                   at least the preceding 24 months.

10          (3) DESTRUCTION AND REPLACEMENT OF  
11          DATED MANUFACTURED HOME.—

12                   (A) IN GENERAL.—A grant or loan under  
13                   paragraph (1)(A) may be made only if the ap-  
14                   plicable dated manufactured home will be—

15                           (i) destroyed (including appropriate  
16                           recycling); and

17                           (ii) if replaced with a manufactured or  
18                           modular home, is replaced in an appro-  
19                           priate area (as determined by the applica-  
20                           ble State agency) with an Energy Star-  
21                           qualified manufactured or modular home.

22                   (B) THIRD-PARTY VERIFICATION REQUIRE-  
23                   MENTS.—The Secretary shall establish such  
24                   third-party verification requirements as are nec-  
25                   essary to ensure that the requirements of sub-

1 paragraph (A) are met. Such requirements shall  
2 provide that compliance with the requirement  
3 under subparagraph (A)(i) to destroy a dated  
4 manufactured home may be evidenced by means  
5 of a photograph of the destroyed manufactured  
6 home or of the lot where the manufactured  
7 home was located showing that the lot is vacant  
8 or the replacement home.

9 (4) PROHIBITION ON PREVIOUS ASSISTANCE.—

10 A grant or loan under paragraph (1)(A) may not be  
11 provided to any owner of a dated manufactured  
12 home that was or is a member of a household for  
13 which any member of the household has previously  
14 been provided a grant or loan pursuant to this sub-  
15 section.

16 (5) CONTROL OF HOME SITE.—As a condition  
17 of receipt of a grant or loan under paragraph (1)(A)  
18 for the purchase of a new manufactured or modular  
19 home, the land on which new manufactured or mod-  
20 ular home is to be sited shall be—

21 (A) owned by—

22 (i) the owner of the dated manufac-  
23 tured home to whom the grant or loan is  
24 provided; or

1                   (ii) a limited equity cooperative, a  
2                   nonprofit organization, a unit of local gov-  
3                   ernment or agency thereof, or a public  
4                   housing agency; or

5                   (B) leased by the owner of the dated man-  
6                   ufactured home to whom the grant or loan is  
7                   provided under a land-lease agreement having a  
8                   duration not shorter than 10 years, which may  
9                   include a lease from a community land trust or  
10                  nonprofit housing corporation or a proprietary  
11                  lease (perpetual or renewable as a matter of  
12                  right) by a cooperative or homeowner associa-  
13                  tion that is owned or controlled by the home-  
14                  owners.

15                  (6) REQUIREMENTS FOR DECOMMISSIONING  
16                  GRANTS.—A grant under paragraph (1)(B) for the  
17                  decommissioning of a dated manufactured home may  
18                  be made only if—

19                         (A) the dated manufactured home for  
20                         which the grant is made will be destroyed (in-  
21                         cluding appropriate recycling);

22                         (B) proof of, or adequate assurances for,  
23                         decommissioning of the dated manufactured  
24                         home is provided before the grant funds are  
25                         paid, and the Secretary shall provide that such

1 proof may include a photograph of the de-  
2 stroyed decommissioned home or of the lot  
3 where the decommissioned home was located  
4 showing that the lot is vacant or the replace-  
5 ment home;

6 (C) the owner agrees to repay the full  
7 amount of the grant if the home is not decom-  
8 missioned within 90 days of receipt of the grant  
9 funds; and

10 (D) no member of the household of the  
11 owner of the dated manufactured home for  
12 which the grant is provided has previously been  
13 provided a grant or loan pursuant to this sec-  
14 tion.

15 (d) ADMINISTRATION.—

16 (1) CONTROLS AND PROCEDURES.—Each  
17 grantee that receives a grant under this section shall  
18 establish such fiscal controls and accounting proce-  
19 dures as are sufficient, as determined by the Sec-  
20 retary, to ensure proper accounting for disburse-  
21 ments made from the funds and fund balances. Such  
22 controls and procedures shall conform to generally  
23 accepted Federal accounting principles, as deter-  
24 mined by the Secretary.



1           (2) COORDINATION WITH STATE AGENCIES.—A  
2           grantee of a grant under this section may coordinate  
3           efforts and share funds for administration with  
4           State and local agencies and nonprofit organizations  
5           involved in low-income housing programs.

6           (3) ADMINISTRATIVE EXPENSES.—A grantee  
7           may use not more than 10 percent of the funds pro-  
8           vided under a grant under this section for adminis-  
9           trative expenses involved in the grantee’s program  
10          for making grants and loans under subsection (c).

11          (e) REPORTING.—

12           (1) SECRETARY.—Upon the conclusion of the  
13           second fiscal year for which grants under the pro-  
14           gram under this section are made and the conclusion  
15           of each of the next successive four fiscal years, the  
16           Secretary shall submit a report to the Congress de-  
17           scribing the impact of the program, which shall in-  
18           clude information regarding—

19                   (A) the number of dated manufactured  
20                   homes decommissioned;

21                   (B) the number of new manufactured and  
22                   modular homes purchased;

23                   (C) the incomes of families assisted;

24                   (D) the number of assisted families,  
25                   disaggregated by State and ZIP Code; and

1           (E) the number of new Energy Star-quali-  
2           fied manufactured and modular homes that  
3           were sited on land held under each type of ten-  
4           ure described in subsection (c)(5).

5           (2) GRANTEES.—The Secretary shall require  
6           grantees receiving grants under this section to sub-  
7           mit such reports as may be necessary for the Sec-  
8           retary to ensure compliance with this Act and enable  
9           the Secretary to comply with the requirement under  
10          paragraph (1).

11          (f) DEFINITIONS.—For purposes of this section, the  
12          following definitions shall apply:

13           (1) DATED MANUFACTURED HOME.—The term  
14           “dated manufactured home” means a manufactured  
15           home constructed before December 31, 1994. In es-  
16           tablishing requirements regarding demonstrating the  
17           date of construction of homes, the Secretary shall  
18           take into consideration the difficulty of producing  
19           evidence of the date of construction of homes manu-  
20           factured before 1976.

21           (2) ENERGY STAR-QUALIFIED.—The term “En-  
22           ergy Star-qualified” means, with respect to a manu-  
23           factured or modular home, that the home has been  
24           designed, produced, and installed by an Energy  
25           Star-certified entity in accordance with Energy Star

1 guidelines issued by the Secretary of Energy for  
2 manufactured or modular homes, as applicable.

3 (3) LOW-INCOME FAMILY; VERY LOW-INCOME  
4 FAMILY; EXTREMELY LOW-INCOME FAMILY.—

5 (A) LOW-INCOME FAMILY.—The term  
6 “low-income family” means a family having an  
7 income that is not greater than 80 percent of  
8 area median income, with adjustments for  
9 smaller and larger families, as determined by  
10 the Secretary, except that such term includes  
11 any family that resides in a rural area that has  
12 an income that does not exceed the poverty line  
13 (as such term is defined in section 673(2) of  
14 the Omnibus Budget Reconciliation Act of 1981  
15 (42 U.S.C. 9902(2)), including any revision re-  
16 quired by such section) applicable to a family of  
17 the size involved.

18 (B) VERY LOW-INCOME FAMILY.—The  
19 term “very low-income family” means a family  
20 having an income that is not greater than 50  
21 percent of area median income, with adjust-  
22 ments for smaller and larger families, as deter-  
23 mined by the Secretary.

24 (C) EXTREMELY LOW-INCOME FAMILY.—  
25 The term “extremely low-income family” means

1 a family having an income that is not greater  
2 than 30 percent of area median income, with  
3 adjustments for smaller and larger families, as  
4 determined by the Secretary.

5 (4) MANUFACTURED HOME.—The term “manu-  
6 factured home’” has the meaning given such term  
7 in section 603 of the National Manufactured Hous-  
8 ing Construction and Safety Standards Act of 1974  
9 (42 U.S.C. 5402) and such term includes any struc-  
10 ture that meets such definition without regard to  
11 when it was constructed or manufactured. Such  
12 term includes single- and multi-section manufac-  
13 tured homes.

14 (5) MODULAR HOME.—The term “modular  
15 home” means a home that is constructed in a fac-  
16 tory in one or more modules—

17 (A) each of which meet applicable State  
18 and local building codes of the area in which  
19 the home will be located; and

20 (B) that are transported to the home  
21 building site, installed on foundations, and com-  
22 pleted.

23 (6) QUALIFIED NONPROFIT ORGANIZATION.—  
24 The term “qualified nonprofit organization” means  
25 any private, nonprofit organization (including a

1 State or locally chartered nonprofit organization)  
2 that—

3 (A) is organized under State or local laws;

4 (B) has no part of its net earning inuring  
5 to the benefit of any member, founder, contrib-  
6 utor or individual;

7 (C) complies with standards of financial  
8 accountability acceptable to the Secretary; and

9 (D) has among its purposes significant ac-  
10 tivities related to the provision of decent hous-  
11 ing that is affordable to low-income families.

12 (7) SECRETARY.—The term “Secretary” means  
13 the Secretary of Housing and Urban Development.

14 (8) STATE.—The term “State” means the  
15 States of the United States, the District of Colum-  
16 bia, the Commonwealth of Puerto Rico, the Com-  
17 monwealth of the Northern Mariana Islands, Guam,  
18 the Virgin Islands, American Samoa, the Trust Ter-  
19 ritory of the Pacific Islands, and any other territory  
20 or possession of the United States.

21 (9) UNIT OF GENERAL LOCAL GOVERNMENT.—  
22 The term “unit of general local government” means  
23 a city, county, town, township, parish, village, or  
24 other general purpose subdivision of a State, or a  
25 consortium of such political subdivisions.

1       (g) REGULATIONS.—The Secretary may issue any  
2 regulations necessary to carry out the program under this  
3 section.

4       (h) AUTHORIZATION OF APPROPRIATIONS.—For  
5 grants under this section, there is authorized to be appro-  
6 priated \$50,000,000 for each of fiscal years 2018 through  
7 2027.

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