

106TH CONGRESS
1ST SESSION

H. R. 710

To modernize the requirements under the National Manufactured Housing Construction and Safety Standards Act of 1974 and to establish a balanced consensus process for the development, revision, and interpretation of Federal construction and safety standards for manufactured homes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 11, 1999

Mr. LAZIO (for himself, Ms. HOOLEY of Oregon, Mr. NEY, Mr. JONES of North Carolina, Mr. GOODE, Mr. MCINTOSH, Mr. ROEMER, Mr. CALVERT, and Mr. ETHERIDGE) introduced the following bill; which was referred to the Committee on Banking and Financial Services

A BILL

To modernize the requirements under the National Manufactured Housing Construction and Safety Standards Act of 1974 and to establish a balanced consensus process for the development, revision, and interpretation of Federal construction and safety standards for manufactured homes.

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 AND REFERENCES.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Manufactured Housing Improvement Act”.

1 (b) REFERENCES.—Whenever in this Act an amend-
 2 ment is expressed in terms of an amendment to, or repeal
 3 of, a section or other provision, the reference shall be con-
 4 sidered to be made to that section or other provision of
 5 the National Manufactured Housing Construction and
 6 Safety Standards Act of 1974 (42 U.S.C. 5401 et seq.).

7 **SEC. 2. FINDINGS AND PURPOSES.**

8 Section 602 (42 U.S.C. 5401) is amended to read as
 9 follows:

10 “FINDINGS AND PURPOSES

11 “SEC. 602. (a) FINDINGS.—The Congress finds
 12 that—

13 “(1) manufactured housing plays a vital role in
 14 meeting the housing needs of the Nation; and

15 “(2) manufactured homes provide a significant
 16 resource for affordable homeownership and rental
 17 housing accessible to all Americans.

18 “(b) PURPOSES.—The purposes of this Act are—

19 “(1) to facilitate the acceptance of the quality,
 20 durability, safety, and affordability of manufactured
 21 housing within the Department of Housing and
 22 Urban Development;

23 “(2) to facilitate the availability of affordable
 24 manufactured homes and to increase homeownership
 25 for all Americans;

1 “(3) to provide for the establishment of prac-
2 tical, uniform, and, to the extent possible, perform-
3 ance-based Federal construction standards;

4 “(4) to encourage innovative and cost-effective
5 construction techniques;

6 “(5) to protect owners of manufactured homes
7 from unreasonable risk of personal injury and prop-
8 erty damage;

9 “(6) to establish a balanced consensus process
10 for the development, revision, and interpretation of
11 Federal construction and safety standards for manu-
12 factured homes and related regulations for the en-
13 forcement of such standards;

14 “(7) to ensure uniform and effective enforce-
15 ment of Federal construction and safety standards
16 for manufactured homes; and

17 “(8) to ensure that the public interest in, and
18 need for, affordable manufactured housing is duly
19 considered in all determinations relating to the Fed-
20 eral standards and their enforcement.”.

21 **SEC. 3. DEFINITIONS.**

22 (a) IN GENERAL.—Section 603 (42 U.S.C. 5402) is
23 amended—

24 (1) in paragraph (2), by striking “dealer” and
25 inserting “retailer”;

1 (2) in paragraph (12), by striking “and” at the
2 end;

3 (3) in paragraph (13), by striking the period at
4 the end and inserting a semicolon; and

5 (4) by adding at the end the following new
6 paragraphs:

7 “(14) ‘administering organization’ means the
8 recognized, voluntary, private sector, consensus
9 standards body with specific experience in developing
10 model residential building codes and standards in-
11 volving all disciplines regarding construction and
12 safety that administers the consensus standards de-
13 velopment process;

14 “(15) ‘consensus committee’ means the commit-
15 tee established under section 604(a)(3);

16 “(16) ‘consensus standards development proc-
17 ess’ means the process by which additions, revisions,
18 and interpretations to the Federal manufactured
19 home construction and safety standards and enforce-
20 ment regulations shall be developed and rec-
21 ommended to the Secretary by the consensus com-
22 mittee;

23 “(17) ‘primary inspection agency’ means a
24 State agency or private organization that has been
25 approved by the Secretary to act as a design ap-

1 proval primary inspection agency or a production in-
2 spection primary inspection agency, or both;

3 “(18) ‘design approval primary inspection agen-
4 cy’ means a State agency or private organization
5 that has been approved by the Secretary to evaluate
6 and either approve or disapprove manufactured
7 home designs and quality control procedures;

8 “(19) ‘production inspection primary inspection
9 agency’ means a State agency or private organiza-
10 tion that has been approved by the Secretary to
11 evaluate the ability of manufactured home manufac-
12 turing plants to comply with approved quality con-
13 trol procedures and with the Federal manufactured
14 home construction and safety standards promulgated
15 hereunder; and

16 “(20) ‘monitoring’—

17 “(A) means the process of periodic review
18 of the primary inspection agencies, by the Sec-
19 retary or by a State agency under an approved
20 State plan pursuant to section 623, in accord-
21 ance with regulations recommended by the con-
22 sensus committee and promulgated in accord-
23 ance with section 604(b), which process shall be
24 for the purpose of ensuring that the primary in-

1 speciation agencies are discharging their duties
2 under this title; and

3 “(B) may include the periodic inspection of
4 retail locations for transit damage, label tam-
5 pering, and retailer compliance with this title.”.

6 (b) CONFORMING AMENDMENTS.—The National
7 Manufactured Housing Construction and Safety Stand-
8 ards Act of 1974 is amended—

9 (1) in section 613 (42 U.S.C. 5412), by striking
10 “dealer” each place it appears and inserting “re-
11 tailer”;

12 (2) in section 614(f) (42 U.S.C. 5413(f)), by
13 striking “dealer” each place it appears and inserting
14 “retailer”;

15 (3) in section 615 (42 U.S.C. 5414)—

16 (A) in subsection (b)(1), by striking “deal-
17 er” and inserting “retailer”;

18 (B) in subsection (b)(3), by striking “deal-
19 er or dealers” and inserting “retailer or retail-
20 ers”; and

21 (C) in subsections (d) and (f), by striking
22 “dealers” each place it appears and inserting
23 “retailers”;

24 (4) in section 616 (42 U.S.C. 5415), by striking
25 “dealer” and inserting “retailer”; and

1 (5) in section 623(c)(9), by striking “dealers”
2 and inserting “retailers”.

3 **SEC. 4. FEDERAL MANUFACTURED HOME CONSTRUCTION**
4 **AND SAFETY STANDARDS.**

5 Section 604 (42 U.S.C. 5403) is amended—

6 (1) by striking subsections (a) and (b) and in-
7 serting the following new subsections:

8 “(a) ESTABLISHMENT.—

9 “(1) AUTHORITY.—The Secretary shall estab-
10 lish, by order, appropriate Federal manufactured
11 home construction and safety standards, each of
12 which—

13 “(A) shall—

14 “(i) be reasonable and practical;

15 “(ii) meet high standards of protec-
16 tion consistent with the enumerated pur-
17 poses of this title; and

18 “(iii) where appropriate, be perform-
19 ance-based and objectively stated; and

20 “(B) except as provided in subsection (b),
21 shall be established in accordance with the con-
22 sensus standards development process.

23 “(2) CONSENSUS STANDARDS AND REGU-
24 LATORY DEVELOPMENT PROCESS.—

1 “(A) INITIAL AGREEMENT.—Not later
2 than 180 days after the date of enactment of
3 the Manufactured Housing Improvement Act,
4 the Secretary shall enter into a contract with
5 an administering organization. The contractual
6 agreement shall—

7 “(i) terminate on the date on which a
8 contract is entered into under subpara-
9 graph (B); and

10 “(ii) require the administering organi-
11 zation to—

12 “(I) appoint the initial members
13 of the consensus committee under
14 paragraph (3);

15 “(II) administer the consensus
16 standards development process until
17 the termination of that agreement;
18 and

19 “(III) administer the consensus
20 development and interpretation proc-
21 ess for procedural and enforcement
22 regulations and regulations specifying
23 the permissible scope and conduct of
24 monitoring until the termination of
25 that agreement.

1 “(B) COMPETITIVELY PROCURED CON-
2 TRACT.—Upon the expiration of the 4-year pe-
3 riod beginning on the date on which all mem-
4 bers of the consensus committee are appointed
5 under paragraph (3), the Secretary shall, using
6 competitive procedures (as such term is defined
7 in section 4 of the Office of Federal Procure-
8 ment Policy Act), enter into a competitively
9 awarded contract with an administering organi-
10 zation. The administering organization shall ad-
11 minister the consensus process for the develop-
12 ment and interpretation of the Federal stand-
13 ards, the procedural and enforcement regula-
14 tions, and regulations specifying the permissible
15 scope and conduct of monitoring in accordance
16 with this title.

17 “(C) PERFORMANCE REVIEW.—The
18 Secretary—

19 “(i) shall periodically review the per-
20 formance of the administering organiza-
21 tion; and

22 “(ii) may replace the administering
23 organization with another qualified tech-
24 nical or building code organization, pursu-
25 ant to competitive procedures, if the Sec-

1 retary determines in writing that the ad-
2 ministering organization is not fulfilling
3 the terms of the agreement or contract to
4 which the administering organization is
5 subject or upon the expiration of the
6 agreement or contract.

7 “(3) CONSENSUS COMMITTEE.—

8 “(A) PURPOSE.—There is established a
9 committee to be known as the ‘consensus com-
10 mittee’, which shall, in accordance with this
11 title—

12 “(i) provide periodic recommendations
13 to the Secretary to adopt, revise, and inter-
14 pret the Federal manufactured housing
15 construction and safety standards in ac-
16 cordance with this subsection;

17 “(ii) provide periodic recommenda-
18 tions to the Secretary to adopt, revise, and
19 interpret the procedural and enforcement
20 regulations, including regulations specify-
21 ing the permissible scope and conduct of
22 monitoring in accordance with this sub-
23 section; and

24 “(iii) be organized and carry out its
25 business in a manner that guarantees a

1 fair opportunity for the expression and
2 consideration of various positions and for
3 public participation.

4 “(B) MEMBERSHIP.—The consensus com-
5 mittee shall be composed of—

6 “(i) 25 voting members appointed,
7 subject to approval by the Secretary, by
8 the administering organization from among
9 individuals who are qualified by back-
10 ground and experience to participate in the
11 work of the consensus committee; and

12 “(ii) 1 member appointed by the Sec-
13 retary to represent the Secretary on the
14 consensus committee, who shall be a non-
15 voting member.

16 “(C) DISAPPROVAL.—The Secretary may
17 disapprove, in writing with the reasons set
18 forth, the appointment of an individual under
19 subparagraph (B)(i).

20 “(D) SELECTION PROCEDURES AND RE-
21 QUIREMENTS.—Each member shall be ap-
22 pointed in accordance with the selection proce-
23 dures, which shall be established by the Sec-
24 retary and which shall be based on the proce-
25 dures for consensus committees promulgated by

1 the American National Standards Institute (or
2 successor organization), except that the Amer-
3 ican National Standards Institute interest cat-
4 egories shall be modified for purposes of this
5 paragraph to ensure equal representation on
6 the consensus committee of the following inter-
7 est categories:

8 “(i) HOME PRODUCERS.—Five per-
9 sons representing manufacturers of manu-
10 factured homes.

11 “(ii) OTHER BUSINESS INTERESTS.—
12 Five persons representing other business
13 interests involved in the manufactured
14 housing industry such as retailers, install-
15 ers, lenders, insurers, suppliers of prod-
16 ucts, and community owners. The business
17 interests represented in this category shall
18 not be owned or controlled by manufactur-
19 ers represented under clause (i).

20 “(iii) CONSUMERS.—Five persons rep-
21 resenting homeowners and consumer inter-
22 ests, such as consumer organizations, com-
23 munity organizations, recognized consumer
24 leaders, and owners and occupants of man-
25 ufactured homes.

1 “(iv) PUBLIC OFFICIALS.—Five per-
2 sons who are State or local officials such
3 as building code enforcement or inspection
4 officials, fire marshals, and including rep-
5 resentatives of State administrative agen-
6 cies.

7 “(v) GENERAL INTEREST.—Five per-
8 sons representing the public such as archi-
9 tects, engineers, homebuilders, academi-
10 cians, and developers.

11 “(E) ADDITIONAL QUALIFICATIONS.—An
12 individual appointed under clause (iii), (iv), or
13 (v) of subparagraph (D) shall not have—

14 “(i) a significant financial interest in
15 any segment of the manufactured housing
16 industry; or

17 “(ii) a significant relationship to any
18 person engaged in the manufactured hous-
19 ing industry.

20 “(F) MEETINGS.—

21 “(i) NOTICE; OPEN TO PUBLIC.—The
22 consensus committee shall provide advance
23 notice of each meeting of the consensus
24 committee to the Secretary and publish ad-
25 vance notice of each such meeting in the

1 Federal Register. All meetings of the con-
2 sensus committee shall be open to the pub-
3 lic.

4 “(ii) REIMBURSEMENT.—Members of
5 the consensus committee in attendance at
6 the meetings shall be reimbursed for their
7 actual expenses as authorized by section
8 5703 of title 5, United States Code, for
9 persons employed intermittently in Govern-
10 ment service.

11 “(G) INAPPLICABILITY OF OTHER LAWS.—

12 “(i) ADVISORY COMMITTEE ACT.—The
13 consensus committee shall not be consid-
14 ered to be an advisory committee for pur-
15 poses of the Federal Advisory Committee
16 Act.

17 “(ii) TITLE 18.—The members of the
18 consensus committee shall not be subject
19 to section 203, 205, 207, or 208 of title
20 18, United States Code, to the extent of
21 their proper participation as members of
22 the consensus committee.

23 “(iii) ETHICS IN GOVERNMENT ACT
24 OF 1978.—The Ethics in Government Act
25 of 1978 shall not apply to members of the

1 consensus committee to the extent of their
2 proper participation as members of the
3 consensus committee.

4 “(H) ADMINISTRATION.—The consensus
5 committee and the administering organization
6 shall—

7 “(i) operate in conformance with the
8 procedures established by the American
9 National Standards Institute for the devel-
10 opment and coordination of American Na-
11 tional Standards; and

12 “(ii) apply to the American National
13 Standards Institute and take such other
14 actions as may be necessary to obtain ac-
15 creditation from the American National
16 Standards Institute.

17 “(I) STAFF.—The administering organiza-
18 tion shall, upon the request of the consensus
19 committee, provide reasonable staff resources to
20 the consensus committee. Upon a showing of
21 need, the Secretary shall furnish technical sup-
22 port to any of the various interest categories on
23 the consensus committee.

24 “(J) DATE OF INITIAL APPOINTMENTS.—
25 The initial appointments of all of the members

1 of the consensus committee shall be completed
2 not later than 90 days after the date on which
3 an administration agreement under paragraph
4 (2)(A) is completed with the administering or-
5 ganization.

6 “(4) REVISIONS OF STANDARDS.—

7 “(A) IN GENERAL.—Beginning on the date
8 on which all members of the consensus commit-
9 tee are appointed under paragraph (3), the con-
10 sensus committee shall, not less than once dur-
11 ing each 2-year period—

12 “(i) consider revisions to the Federal
13 manufactured home construction and safe-
14 ty standards; and

15 “(ii) submit proposed revised stand-
16 ards and regulations to the Secretary in
17 the form of a proposed rule, including an
18 economic analysis.

19 “(B) PUBLICATION OF PROPOSED REVISED
20 STANDARDS.—

21 “(i) PUBLICATION BY SECRETARY.—

22 The consensus committee shall provide a
23 proposed revised standard under subpara-
24 graph (A)(ii) to the Secretary who shall,
25 not later than 30 days after receipt, pub-

lish such proposed revised standard in the Federal Register for notice and comment. Unless clause (ii) applies, the Secretary shall provide an opportunity for public comment on such proposed revised standard and any such comments shall be submitted directly to the consensus committee without delay.

“(ii) PUBLICATION OF REJECTED PROPOSED REVISED STANDARD.—If the Secretary rejects the proposed revised standard, the Secretary shall publish the rejected proposed revised standard in the Federal Register with the reasons for rejection and any recommended modifications set forth.

“(C) PRESENTATION OF PUBLIC COMMENTS; PUBLICATION OF RECOMMENDED REVISIONS.—

“(i) PRESENTATION.—Any public comments, views, and objections to a proposed revised standard published under subparagraph (B) shall be presented by the Secretary to the consensus committee upon their receipt and in the manner re-

1 received, in accordance with procedures es-
2 tablished by the American National Stand-
3 ards Institute.

4 “(ii) PUBLICATION BY THE SEC-
5 RETARY.—The consensus committee shall
6 provide to the Secretary any revisions pro-
7 posed by the consensus committee, which
8 the Secretary shall, not later than 7 cal-
9 endar days after receipt, cause to be pub-
10 lished in the Federal Register as a notice
11 of the recommended revisions of the con-
12 sensus committee to the standard, a notice
13 of the submission of the recommended re-
14 visions to the Secretary, and a description
15 of the circumstances under which the pro-
16 posed revised standards could become ef-
17 fective.

18 “(iii) PUBLICATION OF REJECTED
19 PROPOSED REVISED STANDARD.—If the
20 Secretary rejects the proposed revised
21 standard, the Secretary shall publish the
22 rejected proposed revised standard in the
23 Federal Register with the reasons for re-
24 jection and any recommended modifica-
25 tions set forth.

1 “(5) REVIEW BY THE SECRETARY.—

2 “(A) IN GENERAL.—The Secretary shall
3 either adopt, modify, or reject a standard, as
4 submitted by the consensus committee under
5 paragraph (4)(A).

6 “(B) TIMING.—Not later than 12 months
7 after the date on which a standard is submitted
8 to the Secretary by the consensus committee,
9 the Secretary shall take action regarding such
10 standard under subparagraph (C).

11 “(C) PROCEDURES.—If the Secretary—

12 “(i) adopts a standard recommended
13 by the consensus committee, the Secretary
14 shall—

15 “(I) issue a final order without
16 further rulemaking; and

17 “(II) cause the final order to be
18 published in the Federal Register;

19 “(ii) determines that any standard
20 should be rejected, the Secretary shall—

21 “(I) reject the standard; and

22 “(II) cause to be published in the
23 Federal Register a notice to that ef-
24 fect, together with the reason or rea-

1 sons for rejecting the proposed stand-
2 ard; or

3 “(iii) determines that a standard rec-
4 ommended by the consensus committee
5 should be modified, the Secretary shall—

6 “(I) cause the proposed modified
7 standard to be published in the Fed-
8 eral Register, together with an expla-
9 nation of the reason or reasons for the
10 determination of the Secretary; and

11 “(II) provide an opportunity for
12 public comment in accordance with
13 section 553 of title 5, United States
14 Code.

15 “(D) FINAL ORDER.—Any final standard
16 under this paragraph shall become effective
17 pursuant to subsection (c).

18 “(6) FAILURE TO ACT.—If the Secretary fails
19 to take final action under paragraph (5) and to pub-
20 lish notice of the action in the Federal Register be-
21 fore the expiration of the 12-month period beginning
22 on the date on which the proposed standard is sub-
23 mitted to the Secretary under paragraph (4)(A)—

24 “(A) the recommendations of the consen-
25 sus committee—

1 “(i) shall be considered to have been
2 adopted by the Secretary; and

3 “(ii) shall take effect upon the expira-
4 tion of the 180-day period that begins
5 upon the conclusion of such 12-month pe-
6 riod; and

7 “(B) not later than 10 days after the expi-
8 ration of such 12-month period, the Secretary
9 shall cause to be published in the Federal Reg-
10 ister a notice of the failure of the Secretary to
11 act, the revised standard, and the effective date
12 of the revised standard, which notice shall be
13 deemed to be an order of the Secretary approv-
14 ing the revised standards proposed by the con-
15 sensus committee.

16 “(b) OTHER ORDERS.—

17 “(1) REGULATIONS.—The Secretary may issue
18 procedural and enforcement regulations as necessary
19 to implement the provisions of this title. The consen-
20 sus committee may submit to the Secretary proposed
21 procedural and enforcement regulations and rec-
22 ommendations for the revision of such regulations.

23 “(2) INTERPRETATIVE BULLETINS.—The Sec-
24 retary may issue interpretative bulletins to clarify
25 the meaning of any Federal manufactured home

1 construction and safety standard or procedural and
2 enforcement regulation. The consensus committee
3 may submit to the Secretary proposed interpretative
4 bulletins to clarify the meaning of any Federal man-
5 ufactured home construction and safety standard or
6 procedural and enforcement regulation.

7 “(3) REVIEW BY CONSENSUS COMMITTEE.—Be-
8 fore issuing a procedural or enforcement regulation
9 or an interpretative bulletin—

10 “(A) the Secretary shall—

11 “(i) submit the proposed procedural
12 or enforcement regulation or interpretative
13 bulletin to the consensus committee; and

14 “(ii) provide the consensus committee
15 with a period of 120 days to submit writ-
16 ten comments to the Secretary on the pro-
17 posed procedural or enforcement regulation
18 or the interpretative bulletin; and

19 “(B) if the Secretary rejects any signifi-
20 cant comment provided by the consensus com-
21 mittee under subparagraph (A), the Secretary
22 shall provide a written explanation of the rea-
23 sons for the rejection to the consensus commit-
24 tee; and

1 “(C) following compliance with subpara-
2 graphs (A) and (B), the Secretary shall—

3 “(i) cause the proposed regulation or
4 interpretative bulletin and the consensus
5 committee’s written comments along with
6 the Secretary’s response thereto to be pub-
7 lished in the Federal Register; and

8 “(ii) provide an opportunity for public
9 comment in accordance with section 553 of
10 title 5, United States Code.

11 “(4) REQUIRED ACTION.—The Secretary shall
12 act on any proposed regulation or interpretative bul-
13 letin submitted by the consensus committee by ap-
14 proving or rejecting the proposal within 120 days
15 from the date the proposal is received by the Sec-
16 retary. The Secretary shall either—

17 “(A) approve the proposal and cause the
18 proposed regulation or interpretative bulletin to
19 be published for public comment in accordance
20 with section 553 of title 5, United States Code;
21 or

22 “(B) reject the proposed regulation or in-
23 terpretative bulletin and—

1 “(i) provide a written explanation of
2 the reasons for rejection to the consensus
3 committee; and

4 “(ii) cause the proposed regulation
5 and the written explanation for the rejection
6 to be published in the Federal Register.
7

8 “(5) EMERGENCY ORDERS.—If the Secretary
9 determines, in writing, that such action is necessary
10 in order to respond to an emergency which jeopardizes
11 the public health or safety, or to address an
12 issue on which the Secretary determines that the
13 consensus committee has not made a timely recommendation,
14 following a request by the Secretary,
15 the Secretary may issue an order that is not developed
16 under the procedures set forth in subsection
17 (a) or in this subsection, if the Secretary—

18 “(A) provides to the consensus committee
19 a written description and sets forth the reasons
20 why emergency actions is necessary and all supporting
21 documentation; and

22 “(B) issues and publishes the order in the
23 Federal Register.

24 “(6) CHANGES.—Any statement of policies,
25 practices, or procedures relating to construction and

1 safety standards, inspections, monitoring, or other
2 enforcement activities which constitutes a statement
3 of general or particular applicability and future off-
4 set and decisions to implement, interpret, or pre-
5 scribe law of policy by the Secretary is subject to the
6 provisions of subsection (a) or (b) of this subsection.
7 Any change adopted in violation of the provisions of
8 subsection (a) or (b) of this subsection is void.

9 “(7) TRANSITION.—Until the date that the con-
10 sensus committee is appointed pursuant to section
11 4(a)(3), the Secretary may issue proposed orders
12 that are not developed under the procedures set
13 forth in this section for new and revised standards.”;

14 (2) in subsection (d), by adding at the end the
15 following: “Federal preemption under this subsection
16 shall be broadly and liberally construed to ensure
17 that disparate State or local requirements or stand-
18 ards do not affect the uniformity and comprehen-
19 siveness of the standards promulgated hereunder.”;

20 (3) by striking subsection (e);

21 (4) in subsection (f), by striking the subsection
22 designation and all of the matter that precedes para-
23 graph (1) and inserting the following:

24 “(e) CONSIDERATIONS IN ESTABLISHING AND IN-
25 TERPRETING STANDARDS AND REGULATIONS.—The con-

1 sensus committee, in recommending standards, regula-
 2 tions, and interpretations, and the Secretary, in establish-
 3 ing standards or regulations, or issuing interpretations
 4 under this section, shall—”;

5 (5) by striking subsection (g);

6 (6) in the first sentence of subsection (j), by
 7 striking “subsection (f)” and inserting “subsection
 8 (e)”;

9 (7) by redesignating subsections (h), (i), and
 10 (j), as subsections (f), (g), and (h), respectively.

11 **SEC. 5. ABOLISHMENT OF NATIONAL MANUFACTURED**
 12 **HOME ADVISORY COUNCIL.**

13 Section 605 (42 U.S.C. 5404) is hereby repealed.

14 **SEC. 6. PUBLIC INFORMATION.**

15 Section 607 (42 U.S.C. 5406) is amended—

16 (1) in subsection (a)—

17 (A) by inserting “to the Secretary” after
 18 “submit”;

19 (B) by adding at the end the following:

20 “The Secretary shall submit such cost and
 21 other information to the consensus committee
 22 for evaluation.”;

23 (2) in subsection (d), by inserting “, the con-
 24 sensus committee,” after “public”;

1 (3) by striking subsection (c) and redesignating
2 subsections (d) and (e) as subsections (c) and (d),
3 respectively.

4 **SEC. 7. RESEARCH, TESTING, DEVELOPMENT, AND TRAIN-**
5 **ING.**

6 (a) IN GENERAL.—Section 608(a) (42 U.S.C.
7 5407(a)) is amended—

8 (1) in paragraph (2), by striking “and” at the
9 end;

10 (2) in paragraph (3), by striking the period at
11 the end and inserting a semicolon; and

12 (3) by adding at the end the following new
13 paragraphs:

14 “(4) encouraging the government sponsored
15 housing entities to actively develop and implement
16 secondary market securitization programs for FHA
17 manufactured home loans and those of other loan
18 programs, as appropriate, thereby promoting the
19 availability of affordable manufactured homes to in-
20 crease homeownership for all people in the United
21 States; and

22 “(5) reviewing the programs for FHA manufac-
23 tured home loans and developing any changes to
24 such programs to promote the affordability of manu-

1 factured homes, including changes in loan terms,
2 amortization periods, regulations, and procedures.”.

3 (b) DEFINITIONS.—Section 608 (42 U.S.C. 5407) is
4 amended by adding at the end the following new sub-
5 section:

6 “(c) DEFINITIONS.—For purposes of this section, the
7 following definitions shall apply:

8 “(1) GOVERNMENT SPONSORED HOUSING ENTI-
9 TIES.—The term ‘government sponsored housing en-
10 tities’ means the Government National Mortgage As-
11 sociation of the Department of Housing and Urban
12 Development, the Federal National Mortgage Asso-
13 ciation, and the Federal Home Loan Mortgage Cor-
14 poration.

15 “(2) FHA MANUFACTURED HOME LOAN.—The
16 term ‘FHA manufactured home loan’ means a loan
17 that—

18 “(A) is insured under title I of the Na-
19 tional Housing Act and is made for the purpose
20 of financing alterations, repairs, or improve-
21 ments on or in connection with an existing
22 manufactured home, the purchase of a manu-
23 factured home, the purchase of a manufactured
24 home and a lot on which to place the home, or

1 the purchase only of a lot on which to place a
2 manufactured home; or

3 “(B) otherwise insured under the National
4 Housing Act and made for or in connection
5 with a manufactured home.”.

6 **SEC. 8. FEES.**

7 Section 620 (42 U.S.C. 5419) is amended to read as
8 follows:

9 “AUTHORITY TO ESTABLISH FEES

10 “SEC. 620. (a) IN GENERAL.—In carrying out in-
11 spections under this title, in developing standards and reg-
12 ulations pursuant to section 604, and in facilitating the
13 acceptance of the affordability and availability of manufac-
14 tured housing within the Department, the Secretary
15 may—

16 “(1) establish and collect from manufactured
17 home manufacturers such reasonable fees as may be
18 necessary to offset the expenses incurred by the Sec-
19 retary in connection with carrying out the respon-
20 sibilities of the Secretary under this title,
21 including—

22 “(A) conducting inspections and monitor-
23 ing;

24 “(B) providing funding to States for the
25 administration and implementation of approved
26 State plans under section 623, including rea-

sonable funding for cooperative educational and training programs designed to facilitate uniform enforcement under this title; these funds may be paid directly to the States or may be paid or provided to any person or entity designated to receive and disburse such funds by cooperative agreements among participating States, provided that such person or entity is not otherwise an agent of the Secretary under this title;

“(C) providing the funding for a noncareer administrator and Federal staff personnel for the manufactured housing program;

“(D) administering the consensus committee as set forth in section 604; and

“(E) facilitating the acceptance of the quality, durability, safety, and affordability of manufactured housing within the Department; and

“(2) use any fees collected under paragraph (1) to pay expenses referred to in paragraph (1), which shall be exempt and separate from any limitations on the Department of Housing and Urban Development regarding full-time equivalent positions and travel.

1 “(b) CONTRACTORS.—When using fees under this
2 section, the Secretary shall ensure that separate and inde-
3 pendent contractors are retained to carry out monitoring
4 and inspection work and any other work that may be dele-
5 gated to a contractor under this title.

6 “(c) PROHIBITED USE.—Fees collected under sub-
7 section (a) shall not be used for any purpose or activity
8 not specifically authorized by this title unless such activity
9 was already engaged in by the Secretary prior to the date
10 of enactment of this title.

11 “(d) MODIFICATION.—Any fee established by the
12 Secretary under this section shall only be modified pursu-
13 ant to rulemaking in accordance with section 553 of title
14 5, United States Code.

15 “(e) APPROPRIATION AND DEPOSIT OF FEES.—

16 “(1) IN GENERAL.—There is established in the
17 Treasury of the United States a fund to be known
18 as the ‘Manufactured Housing Fees Trust Fund’ for
19 deposit of all fees collected pursuant to subsection
20 (a). These fees shall be held in trust for use only as
21 provided in this title.

22 “(2) APPROPRIATION.—Such fees shall be avail-
23 able for expenditure only to the extent approved in
24 an annual appropriation Act.”.

1 **SEC. 9. ELIMINATION OF ANNUAL REPORT REQUIREMENT.**

2 The National Manufactured Housing Construction
3 and Safety Standards Act of 1974 is amended—

4 (1) by striking section 626 (42 U.S.C. 5425);

5 and

6 (2) by redesignating sections 627 and 628 (42
7 U.S.C. 5426, 5401 note) as sections 626 and 627,
8 respectively.

9 **SEC. 10. EFFECTIVE DATE.**

10 The amendments made by this Act shall take effect
11 on the date of enactment of this Act, except that the
12 amendments shall have no effect on any order or interpre-
13 tative bulletin that is published as a proposed rule pursu-
14 ant to section 553 of title 5, United States Code, on or
15 before such date.

16 **SEC. 11. SAVINGS PROVISION.**

17 (a) STANDARDS AND REGULATIONS.—The Federal
18 manufactured home construction and safety standards (as
19 such term is defined in section 603 of the National Manu-
20 factured Housing Construction and Safety Standards Act
21 of 1974) and all regulations pertaining thereto in effect
22 immediately before the date of the enactment of this Act
23 shall apply until the effective date of a standard or regula-
24 tion modifying or superseding the existing standard or
25 regulation which is promulgated under subsection (a) or
26 (b) of section 604 of the National Manufactured Housing

1 Construction and Safety Standards Act of 1974, as
2 amended by this Act.

3 (b) CONTRACTS.—Any contract awarded pursuant to
4 a Request for Proposal issued before the date of enact-
5 ment of this Act shall remain in effect for a period of 2
6 years from the date of enactment of this Act or for the
7 remainder of the contract term, whichever period is short-
8 er.

