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**Texas Department of Housing and Community Affairs**  
**Manufactured Housing Board Meeting**  
**April 22, 2022**

Ronnie Richards, Chair

Jason R. Denny, Member

Joe Gonzalez, Member

Sylvia L. Guzman, Member

Keith C. Thompson, Member

**Texas Department of Housing and Community Affairs  
Manufactured Housing Board Meeting**

**April 22, 2022**

**ROLL CALL**

	<u>Present</u>	<u>Absent</u>
Ronnie Richards, Chair	_____	_____
Jason R. Denny, Member	_____	_____
Joe Gonzalez, Member	_____	_____
Sylvia L. Guzman, Member	_____	_____
Keith C. Thompson, Member	_____	_____
Number Present	_____	
Number Absent		_____

\_\_\_\_\_, Presiding Officer

**MANUFACTURED HOUSING BOARD MEETING**  
**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS**  
**John H. Reagan Building, Room 120, 1400 Congress Avenue**  
**Austin, Texas 78701**  
**April 22, 2022                      12:00 p.m.**

**AGENDA**

**CALL TO ORDER, ROLL CALL** Chair

**CERTIFICATION OF QUORUM** Chair

The Board of the Manufactured Housing Division of the Texas Department of Housing and Community Affairs (TDHCA) will meet to consider and possibly act upon:

The Board will meet at the above-stated time to consider and take appropriate action on the items listed below.

**ACTION ITEMS**

- Item 1. Consideration and action to approve the minutes of the board meeting on August 13, 2021. Chair  
*Public Comment (Speakers limited to 3 minutes per person)*
- Item 2. Presentation, discussion and action to determine the Manufactured Homeowner Consumer Claims Appeal to the Board relating to consumers Michael and Linda Anselm. Amy Jones
- Item 3. Presentation, discussion and action to determine the Manufactured Homeowner Consumer Claims Appeal to the Board relating to consumer Billie Thornton. Amy Jones
- Item 4. Presentation, discussion and action to approve Texas Manufactured Housing Association's request for approval to continue as a Continuing Education Provider. Eric Franklin  
*Public Comment (Speakers limited to 3 minutes per person)*
- Item 5. Presentation, discussion and action to approve the request from the Texas Manufactured Housing School (TXMHS) to continue as a Continuing Education Provider. Eric Franklin  
*Public Comment (Speakers limited to 3 minutes per person)*
- Item 6. Presentation, discussion and possible action to approve proposed amendments to 10 Texas Administrative Code, Chapter 80 for publication as proposed in the Texas Register for public comment. Jim Hicks  
*Public Comment (Speakers limited to 3 minutes per person)*
- Item 7. The Board will discuss Personnel Matters relating to the executive director's compensation pursuant to Sec. 551.074, Texas Government Code. Chair  
*Public Comment (Speakers limited to 3 minutes per person)*

***Note: The Board may go into executive session (close its meeting to the public) on any agenda item if appropriate and authorized by the Open Meetings Act, Texas Government Code, Chapter 551.***

**REPORT ITEMS**

- 1. Executive Director's Report to include issues relating to operations, budget and performance of the Manufactured Housing Division. Jim Hicks

**PUBLIC COMMENT (Speakers limited to 3 minutes per person)** Chair

**EXECUTIVE SESSION** Chair

*Note: The Board may go into executive session (close its meeting to the public) on any agenda item if appropriate and authorized by the Open Meetings Act, Texas Government Code, Chapter 551.*

- (a) If necessary, the Board will go into executive session to discuss Personnel Matters relating to the executive director's compensation pursuant to Sec. 551.074, Texas Government Code.
- (b) If necessary, the Board will go into executive session for Consultation with Attorney pursuant to Sec. 551.071, Texas Government Code.

**RECONVENE**

Chair

Reconvene in public session and take action on any matters coming out of Executive Session.

**ADJOURN**

Chair

*To access this agenda or request information, please visit our website at [www.tdhca.state.tx.us](http://www.tdhca.state.tx.us) or contact Sharon Choate, TDHCA/MHD, 1106 Clayton Lane, Suite 270W, Austin, Texas 78723, 512-475-2206, [sharon.choate@tdhca.state.tx.us](mailto:sharon.choate@tdhca.state.tx.us).*

*Individuals who require auxiliary aids, services or translators for this meeting should contact Sharon Choate, at 512-475-2206 or Relay Texas at 1-800-735-2989 at least two days before the meeting so that appropriate arrangements can be made.*

**Action Item No. 1**

**MINUTES OF THE REGULAR MEETING OF THE  
MANUFACTURED HOUSING BOARD**

On Friday, August 13, 2021, at 12:08pm, there was a regular meeting of the Manufactured Housing Board (the “Board”) held virtually through GoToWebinar from Austin, Texas. Ronnie Richards presided. Jason Denny, Joe Gonzalez and Keith Thompson constituting a quorum, attended. Sylvia Guzman was absent. The following Manufactured Housing Division (the “MHD”) staff attended: Jim Hicks, Amy Morehouse, Kassu Asfaw, Denise Perales and Sharon Choate.

Ronnie Richards called the roll and confirmed the presence of a quorum.

Ronnie Richards asked for a motion to approve the minutes from the board meeting on April 16, 2021. Upon motion of Keith Thompson and duly seconded by Joe Gonzalez, the motion was unanimously approved.

Kassu Asfaw presented for approval the FY 2022 Operating Budget to the board and recommended approval. Upon motion of Keith Thompson and duly seconded by Jason Denny, the motion was unanimously approved.

Kassu Asfaw presented for approval the FY 2022 Administrative Services Agreement between the Manufactured Housing Division and TDHCA and recommended approval. Upon motion of Keith Thompson and duly seconded by Joe Gonzalez, the agreement was unanimously approved.

Jim Hicks delivered the Executive Director's Report.

The Board did not go into an Executive Session.

The next board meeting will be determined at a later date.

There being no further business to come before the board, the meeting was adjourned at 1:11pm.

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Sharon Choate, Secretary

Approved:

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Ronnie Richards, Presiding Chair

***Action Item Nos. 2 & 3***

There are no supporting documents to provide to the public for these action items.

**Action Item No. 4**



**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS  
MANUFACTURED HOUSING DIVISION**

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**Greg Abbott**  
GOVERNOR

**Jim R. Hicks**  
EXECUTIVE DIRECTOR

**Board Members**  
*Presiding Officer*, Ronnie Richards  
Jason R. Denny  
Joe Gonzalez  
Sylvia L. Guzman  
Keith C. Thompson

**TO:** Governing Board of the Manufactured Housing  
Division of the Texas Department of Housing and Community Affairs

**FROM:** Eric Franklin, Director of Operations

**THROUGH:** Jim R. Hicks, Executive Director

**SUBJECT:** Texas Manufactured Housing Association Request for Approval to  
Continue as a Continuing Education Provider

**DATE:** April 14, 2022

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Texas Manufactured Housing Association (“TMHA”) is currently approved as a Continuing Education Provider offering online classes and in person classes through January 17, 2022. TMHA has been an approved provider since April 27, 2004. TMHA satisfies the statutory requirements regarding providing continuing education as set forth in Section 1201.113 of the Texas Occupations Code.

The Department has reviewed the renewal submission, materials, and online course of TMHA and recommends that its request be approved.

**Action Item No. 5**



**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS  
MANUFACTURED HOUSING DIVISION**

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**Greg Abbott**  
GOVERNOR

**Jim R. Hicks**  
EXECUTIVE DIRECTOR

**Board Members**  
*Presiding Officer*, Ronnie Richards  
Jason R. Denny  
Joe Gonzalez  
Sylvia L. Guzman  
Keith C. Thompson

**TO:** Governing Board of the Manufactured Housing  
Division of the Texas Department of Housing and Community Affairs

**FROM:** Eric Franklin, Director of Operations

**THROUGH:** Jim R. Hicks, Executive Director

**SUBJECT:** Texas Manufactured Housing School (TXMHS), Request for Approval to  
Continue as a Continuing Education Provider

**DATE:** April 14, 2022

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Texas Manufactured Housing School, (“TXMHS”) is currently approved as a Continuing Education Provider offering both classroom and online classes until December 31, 2021. TXMHS has been an approved provider since November 10, 2003. TXMHS satisfies the statutory requirements regarding providing continuing education as set forth in Section 1201.113 of the Texas Occupations Code. Changes to the course include updated laws and rules.

The Department has reviewed the renewal submission, materials, and online course of TXMHS and recommends that its request be approved.



**Preamble for Proposed Manufactured Housing Rules**

*Administrative Rules of the Texas Department of Housing and Community Affairs*

*10 Texas Administrative Code, Chapter 80*

The Manufactured Housing Division of the Texas Department of Housing and Community Affairs (the "Department") proposes to amend 10 Texas Administrative Code, Chapter 80, §§ 80.3, 80.30 and 80.38 relating to the regulation of the manufactured housing program. The rule revisions update certain fees by reducing, eliminating and increasing fees and to make changes for clarification purposes.

Per the Manufactured Housing Standards Act, Chapter 1201, §1201.058 the Department is responsible for establishing reasonable fees for maintaining adequate levels of program performance. These fee increases assist in ensuring the health and safety of the consumer may be maintained through the services that are provided by the Manufactured Housing Division. It is necessary to increase some of the fees since the Department has not increased fees for 18 years, and is experiencing high turnover based on their inability to offer competitive salaries. There has also been an increase in the cost of resources, such as metal for seals, and gas required for inspection travel. The Department must ensure they maintain their high level of service to ensure the health and safety of the manufactured housing industry and its consumers.

The installation inspection fee increase will only have a small effect on the installation of double and triple wide manufactured homes, and is required for the health and safety of the consumers to ensure their manufactured homes are installed correctly. The fee increase of statements of ownership is \$20.00 and applies to both consumer to consumer sales and retailer to consumer sales. The increases proposed are conservative, and the industry normally pass-on the cost of the statement of ownership to the consumer, so the industry will not suffer a burden. However, to help offset the increase the Department also proposes to eliminate the Field Verification Inspection fee and to reduce the Industry Requested Inspection fee.

10 Tex. Admin. Code § 80.3(b)(1) is amended to increase the Installation Reporting fee for each additional section from \$25 per section to \$75 per section.

10 Tex. Admin. Code § 80.3(c) is amended to increase the Seal fee from \$35 per section to \$70 per section.

10 Tex. Admin. Code § 80.3(f) is amended to decrease the Industry Requested Inspection fee from \$150 to \$100.

10 Tex. Admin. Code § 80.3(j) is amended by removing the Field Verification Inspection fee of \$100.

10 Tex. Admin. Code § 80.3(k) is amended to change the current subsection (j) to (k) upon removal of the Field Verification Inspection fee in subsection (j).

10 Tex. Admin. Code § 80.3(j)(1) is amended to increase the fee for issuance of a Statement of Ownership from \$55 to \$75.

10 Tex. Admin. Code § 80.3(j)(2) is amended to increase the fee for correction of a Statement of Ownership (other than a departmental error) from \$55 to \$75.

10 Tex. Admin. Code § 80.3(j)(4) is amended to increase the fee for the Priority Handling Service from \$55 to \$75.

10 Tex. Admin. Code § 80.30(a) is amended to clarify that a licensee may maintain their files electronically as long as the Department has access upon request.

10 Tex. Admin. Code § 80.38(c) is amended by adding new subsection (c) to clarify that a licensee must deliver the Formaldehyde Health Notice to the consumer before the execution of a mutually binding sales agreement or retail installment sales contract and may not transfer ownership unless the consumer receives prior delivery of the form.

Jim R. Hicks, Executive Director of the Manufactured Housing Division of the Texas Department of Housing and Community Affairs, has determined that for the first five-year period that the proposed rules are in effect there will be no fiscal implications for state or local government as a result of enforcing or administering these sections. There will be no effect on small or micro-businesses because of the proposed amendments. The fees licensees initially pay for our services are later passed on to the consumer. The fee increases will not cause the loss of any business opportunities as they are nominal increases that should not have an adverse effect on the businesses. The fee increases are conservative and below the inflation rate in order to not have a major impact on consumers or licensees. There are no additional anticipated economic costs to persons who are required to comply with the proposed rules.

Mr. Hicks also has determined that for each year of the first five years that the proposed rules are in effect the public benefit for enforcing the amendments will be to maintain the necessary resources required to improve the general welfare and safety of purchasers of manufactured housing in this state as per §1201.002 of the Manufactured Housing Standards Act.

Mr. Hicks has also determined that for each year of the first five years the proposed rules are in effect there should be no adverse effect on a local economy, and therefore no local employment impact statement is required under Administrative Procedure Act (APA), Texas Government Code § 2001.022.

Mr. Hicks has also determined that for each of the first five years the proposed rules are in effect would not have a large government growth impact. The proposed rules do not create or eliminate a government program. Implementation of the proposed rules does not require the creation of new employee positions or the elimination of existing employee positions. Implementation of the proposed rules do not require the increase or decrease in future legislative appropriations to the agency. The proposed rules do require an increase in certain fees, a decrease in a fee and eliminates a fee paid to the agency. The proposed rules do not create a new regulation. The proposed rules do not expand, limit, or repeal an existing regulation. The proposed rules do not increase or decrease the number of individuals subject to the rules applicability. The proposed rules do not positively or adversely affect this states economy. This statement is made pursuant to the Administrative Procedures Act, Texas Government Code, § 2001.0221.

If requested, the Department will conduct a public hearing on this rulemaking, pursuant to the Administrative Procedure Act, Texas Government Code § 2001.029. The request for a public hearing must be received by the Department within 15 days after publication.

Comments may be submitted to Mr. Jim R. Hicks, Executive Director of the Manufactured Housing Division of the Texas Department of Housing and Community Affairs, P. O. Box 12489, Austin, Texas 78711-2489 or by e-mail at [mhproposedrulecomments@tdhca.state.tx.us](mailto:mhproposedrulecomments@tdhca.state.tx.us). The deadline for comments is no later than 30 days from the date that these proposed rules are published in the *Texas Register*.

The amendments are proposed under §1201.052 of the Texas Occupations Code, which provides the Director with authority to amend, add, and repeal rules governing the Manufactured Housing Division of the Department and §1201.053 of the Texas Occupations Code, which authorizes the board to adopt rules as necessary and the director to administer and enforce the manufactured housing program through the Manufactured Housing Division.

No other statutes, codes, or articles are affected by the proposed rules.

The agency hereby certifies that the proposed amendments have been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

# Manufactured Housing Proposed Rules

*Administrative Rules of the Texas Department of Housing and Community Affairs  
10 Texas Administrative Code, Chapter 80*

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## **SUBCHAPTER A. CODES, STANDARDS, TERMS, FEES AND ADMINISTRATION**

### **§80.3. Fees.**

- (a) License Fees and Renewal Fees:
  - (1) \$850 for each manufacturer's plant license;
  - (2) \$550 for each retailer's sales license;
  - (3) \$350 for each broker's license;
  - (4) \$350 for each installer's license;
  - (5) \$200 for each salesperson's license; and
  - (6) \$25.00 for each reprint of a license.
  
- (b) Installation Fees:
  - (1) There is a reporting fee of \$75 for the installation of a single section manufactured home and ~~\$75~~25 for each additional section.
  - (2) The reporting fee must be submitted to the Department with the completed Notice of Installation (Form T) no later than seven (7) days after which the installation is completed, but not later than three (3) days for installers with a provisional license.
  - (3) Fee distributions to local governmental entities performing inspection functions pursuant to contract with the Department shall be made in accordance with Department procedures and the provisions of the contract.
  
- (c) Seal Fee: Except for an application by a tax appraiser or a tax assessor-collector, for which there is no fee, there is a fee of ~~\$70~~35 for the issuance of a Texas Seal for one manufactured home section. Any person who sells, exchanges, or offers for sale or exchange one or more sections of used HUD-Code manufactured homes manufactured after June 15, 1976, that do not each have a HUD label affixed, or one or more sections of a used mobile home manufactured prior to June 15, 1976, that do not each have a Texas Seal affixed shall file an Application for Statement of Ownership to the Department for a Texas Seal and issuance of an updated Statement of Ownership. The application shall be accompanied by the seal fee of ~~\$70~~35 per section made payable to the Department.
  
- (d) Education Fee:
  - (1) Core Education Fee: Each attendee at the regularly offered course of initial instruction in the law and consumer protection regulations for license

applicants shall be assessed a fee of \$150. Subject to availability of staff, the Department may provide additional initial instruction courses upon request for a fee of \$150 per attendee plus reimbursement to the Department for the actual costs of the training session and any related costs, such as travel, meal, and lodging.

- (2) Retailer Education Fee: \$50 for each attendee.
  - (3) Installer Education Fee: \$50 for each attendee.
- (e) There is a fee of \$300 to process an application for a contract to be approved to provide a continuing education program under §1201.113 of the Standards Act.
- (f) Industry Request. The manufacturer, retailer, or installer may request a consumer complaint home inspection. The request must be accompanied by the required fee of \$~~100~~150.00.
- (g) There is a fee of \$150 for the inspection of a manufactured home which is to be designated for residential use and is elected as personal property after having been designated as real property. The purpose of the inspection is to determine if the home is habitable. The fee must accompany a written request for inspection and must be submitted either prior to or in connection with the submission of an Application for Statement of Ownership.
- (h) There is a fee of \$200 for the plan review and inspection of a salvaged manufactured home which is to be rebuilt. The purpose of the inspection is to determine if the home is habitable as defined by §1201.453 of the Standards Act so that it may be designated for residential use.
- (1) The fee and required notification shall be submitted in accordance with §80.36 of this chapter (relating to Retailer's Rebuilding Responsibilities and Requirements).
  - (2) The retailer shall also be charged for mileage and per diem incurred by Department personnel traveling to and from the location of the home.
  - (3) The Department shall invoice the retailer for the charges incurred, and no Statement of Ownership shall be issued until all charges and fees have been paid.
- (i) There is no fee for an initial inspection relating to a complaint. If a re-inspection is requested by a consumer or a licensee, a fee of \$150 will be assessed against any licensee found, by final order, to have violated any warranty or any other requirements of the Standards Act or these rules made the subject of the complaint.

~~(j)~~ There is a fee of \$100 for the Department to go to a site and perform a field verification confirming a home's identity, location, identification numbers, or ownership.

~~(i)~~ Fees Relating to Statements of Ownership. Each fee shall accompany the required documents delivered or mailed to the Department at its principal office in Austin.

- (1) A fee of \$~~75~~55 will be required for the issuance of a Statement of Ownership.
- (2) If a correction of a document is required as a result of a mistake by the Department, there is no fee for the issuance of corrected document. However, if the error was not made by the Department, a request for correction of the error must be made on a completed Application for Statement of Ownership and submitted to the Department along with the required fee of \$~~75~~55 and any necessary supporting documentation.
- (3) When multiple applications are submitted, the Form M set forth on the Department's website must be completed and attached to the front of the applications to identify each application and reconcile the fee for each application with the total amount of the payment. Failure to provide this form, properly completed, will delay the application's being deemed complete for processing.
- (4) A priority handling service may be offered by the Department for an additional fee of \$~~75~~55, for each review of an application, whether the application is complete or incomplete.

~~(k)~~ Method of Payment.

- (1) All checks shall be made payable to the Texas Department of Housing and Community Affairs or TDHCA.
- (2) All fees for available electronic transactions may also be paid by credit card or ACH, if submitted through Texas Online.

~~(l)~~ Loss of Check Writing Privileges. Any person who has more than one (1) time paid for anything requiring a fee under these rules with a check that is returned uncollectible, whether "NSF," closed account, refer to maker, or for any similar reason, is required to make all future payments, if any, by means of money order or cashier's check.

~~(m)~~ The director may approve a refund of all or a portion of any fee collected if he or she makes a documented determination showing that:

- (1) The fee was for a service applied for in error based on incorrect advice from the Department;

- (2) The fee represented a duplicate payment for a service for which money had already been collected by the Department or a licensee; or
- (3) A refund is justified and warranted.

### **SUBCHAPTER C. LICENSEES' RESPONSIBILITIES AND REQUIREMENTS**

#### **§80.30. All Licensees' Responsibilities.**

- (a) A licensee, other than a salesperson, must maintain all required records at a location that meets the requirements of §1201.103(a-1) of the Standards Act. All records required by this chapter must be maintained in the licensee's files for a period of not less than six (6) years. Unless stated otherwise, a record of any disclosure to be given shall reflect that it was properly completed, executed, and dated. [Files may be maintained in an electronic format, as long as, they can be produced upon request by the Department for review.](#)
- (b) A licensee must keep the Department advised in writing on a current basis of any changes in their licensing information and, where required by the Standards Act, give prior written notice.
- (c) If a licensee fails to provide any warranty listed in this subsection of the rules, the time limitations associated with the consumer's written notification do not start until the consumer is provided with such required warranty.
- (d) A license holder is prohibited from publishing or distributing any form of advertising which is false, deceptive, or misleading.
- (e) Any advertisement must comply with applicable federal and state legal requirements, including, but not limited to, the federal Truth in Lending Act and Federal Reserve Regulation Z.
- (f) Any advertisement (including social media) by a retailer, broker, or installer (other than a sign/display advertisement at a licensed location, point of sale literature, or a price tag) must conspicuously disclose the license number of the person who is advertising.
- (g) Any advertisement (including social media) by a salesperson must conspicuously disclose the name and license number of their sponsoring retailer identified on their valid salespersons license.
- (h) Where no consumer protection purposes would be served by requiring the license number to be disclosed, the Board may grant exceptions to subsections (f) and (g) of this section based on the Board's approved format. Exceptions will be posted on the Department's website.



- (i) Any licensee's website shall provide a conspicuously placed link to the Department's website.

**§80.38. Right to Advance Copy of Certain Documents.**

- (a) A consumer may modify or waive the right to rescind the deadlines for disclosures before the execution of the contract if the consumer determines that the purchase transaction is needed to meet a *bona fide* emergency. To modify or waive the right, the consumer shall give the retailer a dated written statement that describes the emergency, specifically modifies or waives the notice periods, and bears the signature of all the consumers entitled to the disclosures and right of rescission. Printed forms for this purpose are prohibited, except as set forth on the Department's website.

- (b) Printed forms may be used to the rights as provided for in §1201.164 of the Standards Act only if:

- (1) The basic form set forth on the Department's website is used; and
- (2) The Director has reviewed and approved the language used to describe the specific declared emergency.

(c) A retailer or manufacturer may not transfer ownership of a new or used HUD-code manufactured home or otherwise sell, assign, or convey a HUD-code manufactured home to a consumer unless the retailer or manufacturer delivers to the consumer a formaldehyde health notice.

(1) The formaldehyde health notice must be delivered before the execution of a mutually binding sales agreement or retail installment sales contract.

(2) The formaldehyde health notice will be provided on the Manufactured Housing Division's website. The notice must be of the type, size and format required by the director. A retailer or manufacturer may not vary the content or form of the notice.

(3) The formaldehyde health notice may be combined with other disclosures, if deemed appropriate.

***Action Item No. 7***

There are no supporting documents to provide to the public for this action item.