

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS MANUFACTURED HOUSING DIVISION

MHD Bulletin

February 2018

# Agency Contact Information

Assistance with Licensing Issues or Consumer Complaints

Email: licensing@tdhca.state.tx.us

Email: complaints@tdhca.state.tx.us

Toll Free Number: 877-313-3023

Fax Number: 512-475-3506

Assistance with Titling/Statement of Ownership

Email for general Statement of Ownership Inquiries: processing@tdhca.state.tx.us

Email for responding to a Statement of Ownership Request for Additional Information (issued on an incomplete Statement of Ownership application): mhrairesponse@tdhca.state.tx.us

Toll Free Number for Industry: 888-576-2240

Toll Free Number for Consumers: 800-500-7074

Fax Number: 512-475-1109

## **Relocating a Manufactured Home**

- 1. A moving permit is required for transporting on any city and county roads. A copy should be provided to the consumer.
- 2. Only a bonded and licensed Installer can install manufactured homes.
- 3. The Installer must submit an Installation Report (also known as a Form T) to the Department within 7 working days after installation so an inspection can be performed, ensuring that the home is installed properly. A copy should be provided to the consumer.
- 4. An Application for Statement of Ownership, with a copy of the moving permit, must be submitted by the owner of the home, within 60 days from the date that the home is relocated.

Failure to include the moving permit will not prevent the application from being processed. However, the application will be referred to the Texas Department of Motor Vehicles, Motor Carrier Enforcement Division.

For more details on applicable motor carrier permit laws, contact the Texas DMV Motor Carrier Permits Division:

Phone Number: 1-800-299-1700 Web Address: <u>www.txdmv.gov</u>

# **Tax Statements**

<u>Sales between Jan and June 30 of current year</u> – Applications for Statement of Ownership must include a statement from the Tax Assessor-Collector confirming that all taxes have been paid for the previous year AND prepaid and escrowed for the previous year. A release of lien for any tax liens already filed with the Department must also be included.

<u>Sales between July 1 and December 31 of current year</u> - Applications for Statement of Ownership must include a statement from the Tax Assessor-Collector confirming that all taxes have been paid for the present year. A release of lien for any tax liens already filed with the Department must also be included.

## **Original MCO required with all new home applications**

Section 1201.204 requires that, with the submittal of all new home applications for Statement of Ownership, the <u>original</u> Manufacturer's Certificate of Origin (MCO) be included.

The law also requires that all inventory lenders (aka floorplanners) of record be notified that the Retailer did not provide the original MCO with the application.

Failure to surrender the MCO is a violation which may result in administrative action for noncompliance

# Statement of Ownership Application must be submitted to the Department or a \$100.00 Fee may be charged

Section 1201.206(h) of the Occupations Code states that if a person selling a manufactured home to a consumer for residential use fails to file with the department the application for the issuance of a statement of ownership and the appropriate filing fee before the 61st day after the date of the sale, the department may assess a fee of \$100 against the seller.

# Top 5 reasons for why Statement of Ownership applications were returned for completion in 2017:

- 1. Tax liens on file
- 2. Need tax statement
- 3. Need signature(s) of purchaser(s) and/or seller(s)
- 4. Need release of mortgage lien
- 5. Need payment

This message is brought you as a general source of information, promoting public awareness and self-compliance.

# **Installation Reports**

Title 10, Section 80.33(g) of the Texas Administrative Code, states that:

For each installation completed, the contracting installer must complete a Notice of Installation (aka Form T) and submit the original, signed form with the required fee to the Department **no later than seven (7) days after which the installation is completed**, but not later than three (3) days for probationary installers. A single payment may be made when multiple forms are submitted.

To prevent delays, **do not** send Installation Reports and fees with applications for statements of ownership.

Installers with a probationary license should fax their report to the Lubbock field office and submit the original with the fee to the Department's headquarters in Austin.

Lubbock Fax - 806-794-6876

### Salvage procedures

Section 1201.461 of the Occupations Code states that a home is salvaged if it is scrapped, dismantled, or destroyed, OR if an insurance company pays the full insured value of the home.

Additionally, it states that a person may not sell, convey, or otherwise transfer to a consumer in the state, a manufactured home that is salvaged. A salvaged manufactured home may only be sold to a licensed retailer and may only be rebuilt in compliance with the Texas Administrative Code, which require specific steps to be taken BEFORE construction begins.

#### Consumers may not rebuild a salvaged home.

Finally, it states that participating in the sale or installation of a salvaged home to a consumer that has not been rebuilt in compliance with the law and rules, constitutes an imminent threat to health or safety and is a Class B misdemeanor.

## **Electrical Testing**

Pursuant to Section 80.25(j)(5) of the Administrative Rules, when installing a manufactured home, the completion of a continuity test, a polarity test, and an operational test is required. This rule was adopted and has been in place since 1998. This applies to both new and used homes.

This message is brought you as a general source of information, promoting public awareness and self-compliance. ADDITIONALLY, for a NEW manufactured home, you will also need to check the Manufacturer's Installation Manual to determine if the Manufacturer requires additional testing along with the continuity test, the polarity test, and an operational test, as required by 24 CFR § 3285.702(f).

The electrical testing *does not* have to be completed by a licensed electrician, but must be completed once the electricity is activated or by using a generator. The home cannot be occupied until all installation requirements have been met and the installation is complete.

## Proof of this testing should be maintained on file for review purposes.

### **Compliance Reviews**

The MHD will conduct a compliance review on each retailer and installer twice a year to ensure that all records reflect compliance with state and federal requirements.

For retailers – Reviews will focus on sales files, required disclosures, receipts, title documents and warranty information.

For installers – Reviews will focus on submittal of Notices of Installation (Form Ts), disclosures and warranty information.

In addition to reviewing records, MHD Compliance Monitors will verify the following?

- 1. Retailer's license must be displayed.
- 2. Salesperson's license must be displayed.
- 3. Consumer Protection Notice must be displayed.
- 4. Retailer's website must contain a link to the Department's website.