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(Original Signature of Member)

119TH CONGRESS
1ST SESSION

H. R. _____

To require the Secretary of Housing and Urban Development to conduct a review of Federal Housing Administration construction financing programs to identify barriers to the use of modular home methods, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. LYNCH introduced the following bill; which was referred to the Committee
on _____

A BILL

To require the Secretary of Housing and Urban Development to conduct a review of Federal Housing Administration construction financing programs to identify barriers to the use of modular home methods, 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 “Modular Housing Pro-
5 duction Act”.

1 **SEC. 2. MODULAR HOUSING PRODUCTION ACT.**

2 (a) DEFINITIONS.—In this Act:

3 (1) MANUFACTURED HOME.—The term “manu-
4 factured home” has the meaning given the term in
5 section 603 of the National Manufactured Housing
6 Construction and Safety Standards Act of 1974 (42
7 U.S.C. 5402).

8 (2) MODULAR HOME.—The term “modular
9 home” means a home that is constructed in a fac-
10 tory in 1 or more modules, each of which meet appli-
11 cable State and local building codes of the area in
12 which the home will be located, and that are trans-
13 ported to the home building site, installed on foun-
14 dations, and completed.

15 (3) SECRETARY.—The term “Secretary” means
16 the Secretary of Housing and Urban Development.

17 (b) FHA CONSTRUCTION FINANCING PROGRAMS.—

18 (1) IN GENERAL.—The Secretary shall conduct
19 a review of Federal Housing Administration con-
20 struction financing programs to identify barriers to
21 the use of modular home methods.

22 (2) REQUIREMENTS.—In conducting the review
23 under paragraph (1), the Secretary shall—

24 (A) identify and evaluate regulatory and
25 programmatic features that restrict participa-
26 tion in construction financing programs by

1 modular home developers, including construc-
2 tion draw schedules; and

3 (B) identify administrative measures au-
4 thorized under section 525 of the National
5 Housing Act (12 U.S.C. 1735f-3) to facilitate
6 program utilization by modular home devel-
7 opers.

8 (3) REPORT.—Not later than 1 year after the
9 date of enactment of this Act, the Secretary shall
10 publish a report that describes the results of the re-
11 view conducted under paragraph (1), which shall in-
12 clude a description of programmatic and policy
13 changes that the Secretary recommends to reduce or
14 eliminate identified barriers to the use of modular
15 home methods in Federal Housing Administration
16 construction financing programs.

17 (4) RULEMAKING.—

18 (A) IN GENERAL.—Not later than 120
19 days after the date on which the Secretary pub-
20 lishes the report under paragraph (3), the Sec-
21 retary shall initiate a rulemaking to examine an
22 alternative draw schedule for construction fi-
23 nancing loans provided to modular and manu-
24 factured home developers, which shall include

1 the ability for interested stakeholders to provide
2 robust public comment.

3 (B) DETERMINATION.—Following the pe-
4 riod for public comment under subparagraph
5 (A), the Secretary shall—

6 (i) issue a final rule regarding an al-
7 ternative draw schedule described in sub-
8 paragraph (A); or

9 (ii) provide an explanation as to why
10 the rule shall not become final.

11 (c) STANDARDIZED UNIFORM COMMERCIAL CODE
12 FOR MODULAR HOMES.—

13 (1) AWARD.—The Secretary may award a grant
14 to study the design and feasibility of a standardized
15 uniform commercial code for modular homes, which
16 shall evaluate—

17 (A) the utility of a standardized coding
18 system for serializing and securing modules,
19 streamlining design and construction, and im-
20 proving modular home innovation; and

21 (B) a means to coordinate a standardized
22 code with financing incentives.

23 (2) AUTHORIZATION OF APPROPRIATIONS.—
24 There is authorized to be appropriated such funds as
25 may be necessary to carry out paragraph (1).