

AN ACT

relating to certain restrictions on the delivery or installation of a new or used manufactured home in a flood-prone area.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter K, Chapter 1201, Occupations Code, is amended by adding Section 1201.512 to read as follows:

Sec. 1201.512. PROHIBITED DELIVERY OR INSTALLATION OF MANUFACTURED HOME. (a) In this section, "homesite" means the land on which the foundation system for a manufactured home is or will be located.

(b) Unless the retailer, broker, or salesperson complies with the requirements of the National Flood Insurance Act of 1968 (42 U.S.C. Section 4001 et seq.), Subchapter I, Chapter 16, Water Code, and any other applicable local, state, or federal law, and ensures the consumer's compliance with applicable law by requiring the evidence described by Subsection (c), a retailer, broker, or salesperson who sells, exchanges, or lease-purchases a new or used manufactured home to a consumer for use as a permanent dwelling in this state may not:

(1) deliver or arrange for the delivery of the home to a homesite in a special flood hazard area designated by the director of the Federal Emergency Management Agency;

(2) install or arrange for the installation of the home at a homesite in that area; or

1           (3) assist the consumer in the delivery or  
2 installation of, or in making arrangements for the delivery or  
3 installation of, the home to or at a homesite in that area.

4           (c) Before closing on the acquisition of a new or used  
5 manufactured home for use as a permanent dwelling in this state, a  
6 consumer seeking to acquire the home must provide to the retailer,  
7 broker, or salesperson selling, exchanging, or lease-purchasing  
8 the home satisfactory evidence that the home will not be located, in  
9 a manner that violates local, state, or federal law, on a homesite  
10 in a special flood hazard area designated by the director of the  
11 Federal Emergency Management Agency. A consumer may satisfy the  
12 evidentiary requirement of this subsection by providing the  
13 retailer, broker, or salesperson, as applicable, with a copy of any  
14 required permit to install a septic tank on the homesite.

15           (d) The following are exempt from the application of this  
16 section:

17           (1) a manufactured home that on August 31, 2003, was  
18 inhabited and located on real property zoned before September 1,  
19 2003, by a local political subdivision for the purpose of  
20 developing homesites in a special flood hazard area designated by  
21 the director of the Federal Emergency Management Agency, if the  
22 home will remain on or be relocated to real property zoned as  
23 described by this subsection; and

24           (2) real property zoned before September 1, 2003, by a  
25 local political subdivision for the purpose of developing homesites  
26 in a special flood hazard area designated by the director of the  
27 Federal Emergency Management Agency.

1           SECTION 2. The change in law made by this Act applies only  
2 to the sale, exchange, or lease-purchase of a new or used  
3 manufactured home on or after the effective date of this Act.

4           SECTION 3. This Act takes effect June 1, 2003, if it  
5 receives a vote of two-thirds of all the members elected to each  
6 house, as provided by Section 39, Article III, Texas Constitution.  
7 If this Act does not receive the vote necessary for effect on June  
8 1, 2003, this Act takes effect September 1, 2003.

---

President of the Senate

---

Speaker of the House

I certify that H.B. No. 543 was passed by the House on March 31, 2003, by the following vote: Yeas 145, Nays 0, 2 present not voting.

---

Chief Clerk of the House

I certify that H.B. No. 543 was passed by the Senate on May 20, 2003, by the following vote: Yeas 31, Nays 0.

---

Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

---

Governor