By: Deshotel H.B. No. 2693

A BILL TO BE ENTITLED

1	AN ACT	

- 2 relating to the regulation of manufactured housing by the Texas
- 3 Department of Licensing and Regulation.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Section 2306.0521, Government Code, is amended
- 6 to read as follows:
- 7 Sec. 2306.0521. ORGANIZATIONAL FLEXIBILITY OF DEPARTMENT.
- 8 [(a)] Notwithstanding [Section 2306.021(b) or] any other provision
- 9 of this chapter, the director, with the approval of the board, may:
- 10 (1) create divisions [in addition to those listed in
- 11 Section 2306.021(b)] and assign to the newly created divisions any
- 12 duties and powers imposed on or granted to an existing division or
- 13 the department generally;
- 14 (2) eliminate any division [listed in Section
- 15 2306.021(b) or] created under this section and assign any duties or
- 16 powers previously assigned to the eliminated division to another
- 17 division [listed in Section 2306.021(b) or] created under this
- 18 section; or
- 19 (3) eliminate all divisions [listed in Section
- 20 $\frac{2306.021(b)}{or}$] created under this section and reorganize the
- 21 distribution of powers and duties granted to or imposed on a
- 22 division in any manner the director determines appropriate for the
- 23 proper administration of the department.
- 24 [(b) This section does not apply to the manufactured housing

1 division.

- 2 SECTION 2. Section 2306.591(a), Government Code, is amended
- 3 to read as follows:
- 4 (a) For a manufactured home to be approved for installation
- 5 and use as a dwelling in a colonia:
- 6 (1) the home must be a HUD-code manufactured home, as
- 7 defined by Section 1201.003, Occupations Code;
- 8 (2) the home must be habitable, as described by
- 9 Section 1201.453, Occupations Code; and
- 10 (3) ownership of the home must be properly recorded
- 11 with the Texas Department of Licensing and Regulation [manufactured
- 12 housing division of the department].
- 13 SECTION 3. Section 1201.003, Occupations Code, is amended
- 14 by adding Subdivision (7-a) and amending Subdivisions (10) and (11)
- 15 to read as follows:
- 16 <u>(7-a) "Commission" means the Texas Commission of</u>
- 17 Licensing and Regulation.
- 18 (10) "Department" means the Texas Department of
- 19 Licensing and Regulation [Housing and Community Affairs operating
- 20 through its manufactured housing division].
- 21 (11) "Director" means the executive director of the
- 22 <u>department</u> [manufactured housing division of the Texas Department
- 23 of Housing and Community Affairs].
- SECTION 4. Section 1201.053(a), Occupations Code, is
- 25 amended to read as follows:
- 26 (a) The commission [board] shall adopt rules and otherwise
- 27 act as necessary to:

- 1 (1) comply with the National Manufactured Housing
- 2 Construction and Safety Standards Act of 1974 (42 U.S.C. Section
- 3 5401 et seq.), including adopting and enforcing rules reasonably
- 4 required to implement the notification and correction procedures
- 5 provided by 42 U.S.C. Section 5414; and
- 6 (2) provide for the effective enforcement of all
- 7 HUD-code manufactured housing construction and safety standards in
- 8 order to have the state plan authorized by the National
- 9 Manufactured Housing Construction and Safety Standards Act of 1974
- 10 (42 U.S.C. Section 5401 et seq.) approved by the secretary of
- 11 housing and urban development.
- SECTION 5. Sections 1201.054(b) and (c), Occupations Code,
- 13 are amended to read as follows:
- 14 (b) If requested, the commission [board] shall, after at
- 15 least 10 days' notice, hold a hearing on any rule that it proposes
- 16 to adopt, other than a rule that is to be adopted under emergency
- 17 rulemaking, in which case only the requirements of Chapter 2001,
- 18 Government Code, shall apply.
- 19 (c) A rule takes effect on the 30th day after the date of
- 20 publication of notice that the rule has been adopted, except that a
- 21 rule relating to installation standards may not take effect earlier
- 22 than the 60th day after the date of publication of notice unless the
- 23 commission [board] has determined that an earlier effective date is
- 24 required to meet an emergency and the standard was adopted under the
- 25 emergency rulemaking provisions of Chapter 2001, Government Code.
- SECTION 6. Sections 1201.055(a), (c), and (d), Occupations
- 27 Code, are amended to read as follows:

- 1 (a) With guidance from the federal Housing and Community
- 2 Development Act of 1974 (42 U.S.C. Section 5301 et seq.) and from
- 3 the rules and regulations adopted under the National Manufactured
- 4 Housing Construction and Safety Standards Act of 1974 (42 U.S.C.
- 5 Section 5401 et seq.), the commission [board] shall establish fees
- 6 as follows:
- 7 (1) if the department acts as a design approval
- 8 primary inspection agency, a schedule of fees for the review of
- 9 HUD-code manufactured home blueprints and supporting information,
- 10 to be paid by the manufacturer seeking approval of the blueprints
- 11 and supporting information;
- 12 (2) except as provided by Subsection (e), a fee for the
- 13 inspection of each HUD-code manufactured home manufactured or
- 14 assembled in this state, to be paid by the manufacturer of the home;
- 15 (3) a fee for the inspection of an alteration made to
- 16 the structure or plumbing, heating, or electrical system of a
- 17 HUD-code manufactured home, to be charged on an hourly basis and to
- 18 be paid by the person making the alteration;
- 19 (4) a fee for the inspection of the rebuilding of a
- 20 salvaged manufactured home, to be paid by the rebuilder;
- 21 (5) a fee for the inspection of a used manufactured
- 22 home to determine whether the home is habitable for the issuance of
- 23 a new statement of ownership and location; and
- 24 (6) a fee for the issuance of a seal for a used mobile
- 25 or HUD-code manufactured home.
- 26 (c) The <u>commission</u> [board] shall establish a fee for the
- 27 inspection of the installation of a mobile or HUD-code manufactured

- 1 home, to be paid by the installer of the home.
- 2 (d) The commission [board] shall charge a fee for a consumer
- 3 complaint home inspection requested by a manufacturer or retailer
- 4 under Section 1201.355(b), to be paid by the manufacturer or
- 5 retailer.
- 6 SECTION 7. Section 1201.056, Occupations Code, is amended
- 7 to read as follows:
- 8 Sec. 1201.056. LICENSE FEES. The commission [board] shall
- 9 establish fees for the issuance and renewal of licenses for:
- 10 (1) manufacturers;
- 11 (2) retailers;
- 12 (3) brokers;
- 13 (4) salespersons;
- 14 (5) rebuilders; and
- 15 (6) installers.
- SECTION 8. Section 1201.057, Occupations Code, is amended
- 17 to read as follows:
- 18 Sec. 1201.057. INSTRUCTION FEE. The commission [board]
- 19 shall charge a fee to each person attending a course of instruction
- 20 described by Section 1201.104.
- SECTION 9. Sections 1201.058(a), (d), and (e), Occupations
- 22 Code, are amended to read as follows:
- 23 (a) The commission [board] shall establish reasonable fees
- 24 for all matters under this chapter providing for fees. If the
- 25 department's rules provide an option to file a document
- 26 electronically, the department may charge a discounted fee for the
- 27 electronic filing.

- 1 (d) Notwithstanding Subsection (c), the director may, in
- 2 limited and appropriate circumstances and in accordance with rules
- 3 adopted by the commission [board], approve the refund of fees.
- 4 (e) If the governor by executive order or proclamation
- 5 declares a state of disaster under Chapter 418, Government Code,
- 6 the director, in accordance with rules adopted by the commission
- 7 [board], may waive the imposition of any fee under this chapter in
- 8 the affected area.
- 9 SECTION 10. Sections 1201.104(e) and (f), Occupations Code,
- 10 are amended to read as follows:
- 11 (e) The <u>commission</u> [board] shall adopt rules relating to
- 12 course content and approval.
- 13 (f) An applicant for an initial installer's license shall
- 14 receive a license on a provisional basis. The person's provisional
- 15 status remains in effect until a sufficient number of installations
- 16 completed by the person have been inspected by the department and
- 17 found not to have any identified material violations of the
- 18 department's rules. The commission [board], with the advice of the
- 19 advisory committee to be established under Section 1201.251, shall
- 20 adopt rules to establish what constitutes a sufficient number of
- 21 installations under this subsection.
- SECTION 11. Section 1201.105(c), Occupations Code, is
- 23 amended to read as follows:
- 24 (c) If the department experiences significant problems in
- 25 obtaining timely reimbursements from a surety or the surety has
- 26 experienced a deterioration in its financial condition, the
- 27 commission [board] may direct the director to stop accepting bonds

- 1 issued by the surety.
- 2 SECTION 12. Section 1201.113(a), Occupations Code, is
- 3 amended to read as follows:
- 4 (a) The commission [board] shall approve or administer
- 5 continuing education programs for licensees under this chapter. A
- 6 continuing education program must be at least eight hours long and
- 7 must include the current rules of the department and such other
- 8 matters as the commission [board] may deem relevant.
- 9 SECTION 13. Section 1201.118, Occupations Code, is amended
- 10 to read as follows:
- 11 Sec. 1201.118. RULES RELATING TO CERTAIN PERSONS. The
- 12 commission [board] shall adopt rules providing for additional
- 13 review and scrutiny of any application for an initial or renewal
- 14 license that involves a person who has previously:
- 15 (1) been found in a final order to have participated in
- 16 one or more violations of this chapter that served as grounds for
- 17 the suspension or revocation of a license;
- 18 (2) been found to have engaged in activity subject to
- 19 this chapter without possessing the required license;
- 20 (3) caused the trust fund to incur unreimbursed
- 21 payments or claims; or
- 22 (4) failed to abide by the terms of a final order,
- 23 including the payment of any assessed administrative penalties.
- SECTION 14. Section 1201.1521(b), Occupations Code, is
- 25 amended to read as follows:
- 26 (b) Subject to rules adopted by the commission [board], a
- 27 consumer may waive a right of rescission in the event of a bona fide

- 1 emergency. Such rules shall, to the extent practical, be modeled
- 2 on the federal rules for the waiver of a right of rescission under
- 3 12 C.F.R. Part 226.
- 4 SECTION 15. Section 1201.162(a), Occupations Code, is
- 5 amended to read as follows:
- 6 (a) Before the completion of a credit application or more
- 7 than one day before entering into any agreement for a sale,
- 8 exchange, or the exercise of the lease purchase option that will not
- 9 be financed, the retailer must provide to the consumer a written
- 10 disclosure in the form promulgated by the commission [board]. The
- 11 disclosure shall be in at least 12-point type and must address
- 12 matters of concern relating to costs and obligations that may be
- 13 associated with home ownership, matters to be considered in making
- 14 financing decisions, related costs that may arise when purchasing a
- 15 manufactured home, and such other matters as the $\underline{\text{commission}}$ [board]
- 16 may consider [deem] appropriate to promote informed purchase,
- 17 financing, and related decisions regarding the acquisition and
- 18 ownership of a manufactured home. The form shall also
- 19 conspicuously disclose the consumer's right of rescission.
- 20 SECTION 16. Section 1201.203, Occupations Code, is amended
- 21 to read as follows:
- Sec. 1201.203. FORMS; RULES. (a) The commission [board]
- 23 shall adopt rules and forms relating to:
- 24 (1) the manufacturer's certificate;
- 25 (2) the statement of ownership and location;
- 26 (3) the application for a statement of ownership and
- 27 location; and

- 1 (4) the issuance of an initial or revised statement of
- 2 ownership.
- 3 (b) The commission [board] shall adopt rules for the
- 4 documenting of the ownership and location of a manufactured home
- 5 that has been previously owned in this state or another state. The
- 6 rules must protect a lienholder recorded with the department.
- 7 SECTION 17. Section 1201.205, Occupations Code, is amended
- 8 to read as follows:
- 9 Sec. 1201.205. STATEMENT OF OWNERSHIP AND LOCATION FORM. A
- 10 statement of ownership and location must be evidenced by a
- 11 <u>commission-approved</u> [board-approved] form issued by the department
- 12 setting forth:
- 13 (1) the name and address of the seller and the name
- 14 and, if it is different from the location of the home, the mailing
- 15 address of the new owner;
- 16 (2) the manufacturer's name and address and any model
- 17 designation, if available;
- 18 (3) in accordance with the commission's [board's]
- 19 rules:
- 20 (A) the outside dimensions of the manufactured
- 21 home when installed for occupancy, as measured to the nearest
- 22 one-half foot at the base of the home, exclusive of the tongue or
- 23 other towing device; and
- 24 (B) the approximate square footage of the home
- 25 when installed for occupancy;
- 26 (4) the identification number for each section or
- 27 module of the home;

- 1 (5) the physical address where the home is installed
- 2 for occupancy, including the name of the county, and, if it is
- 3 different from the physical address, the mailing address of the
- 4 owner of the home;
- 5 (6) in chronological order of recordation, the date of
- 6 each lien, other than a tax lien, on the home and the name and
- 7 address of each lienholder, or, if a lien is not recorded, a
- 8 statement of that fact;
- 9 (7) a statement regarding tax liens as follows:
- "On January 1st of each year, a new tax lien comes into
- 11 existence on a manufactured home in favor of each taxing unit having
- 12 jurisdiction where the home is actually located on January 1st. In
- 13 order to be enforced, any such lien must be recorded with the Texas
- 14 Department of Licensing and Regulation [Housing and Community
- 15 Affairs Manufactured Housing Division] as provided by law. You
- 16 may check that <u>department's</u> [<u>division's</u>] records through its
- 17 website or contact that $\underline{\text{department}}$ [$\underline{\text{division}}$] to learn any recorded
- 18 tax liens. To find out about the amount of any unpaid tax
- 19 liabilities, contact the tax office for the county where the home
- 20 was actually located on January 1st of that year.";
- 21 (8) a statement that if two or more eligible persons,
- 22 as determined by Section 1201.213, file with the application for
- 23 the issuance of a statement of ownership and location an agreement
- 24 signed by all the persons providing that the home is to be held
- 25 jointly with a right of survivorship, the director shall issue the
- 26 statement of ownership and location in all the names;
- 27 (9) the location of the home;

- 1 (10) a statement of whether the owner has elected to
- 2 treat the home as real property or personal property;
- 3 (11) statements of whether the home is a salvaged
- 4 manufactured home and whether the home is reserved for business use
- 5 only; and
- 6 (12) any other information the <u>commission</u> [board]
- 7 requires.
- 8 SECTION 18. The heading to Section 1201.251, Occupations
- 9 Code, is amended to read as follows:
- 10 Sec. 1201.251. STANDARDS AND REQUIREMENTS ADOPTED BY
- 11 COMMISSION [BOARD].
- 12 SECTION 19. Sections 1201.251(a), (d), and (e), Occupations
- 13 Code, are amended to read as follows:
- 14 (a) The commission [board] shall adopt standards and
- 15 requirements for:
- 16 (1) the installation and construction of manufactured
- 17 housing that are reasonably necessary to protect the health,
- 18 safety, and welfare of the occupants and the public; and
- 19 (2) the construction of HUD-code manufactured homes in
- 20 compliance with the federal standards and requirements established
- 21 under the National Manufactured Housing Construction and Safety
- 22 Standards Act of 1974 (42 U.S.C. Section 5401 et seq.).
- 23 (d) In order to ensure that the determinations required by
- 24 this section are properly made by qualified persons:
- 25 (1) the <u>commission's</u> [board's] rules may provide for
- 26 the approval of foundation systems and devices that have been
- 27 approved by licensed engineers; and

- 1 (2) any generic installation standards promulgated by
- 2 rule shall first be reviewed by an advisory committee established
- 3 by the commission [board] comprised of representatives of
- 4 manufacturers, installers, and manufacturers of stabilization
- 5 systems or devices, including one or more licensed engineers.
- 6 (e) The advisory committee established by Subsection (d)
- 7 shall make a report to the commission [board] setting forth each
- 8 comment and concern over any proposed rules. The members of the
- 9 committee do not have any [shall have no] personal liability for
- 10 providing this advice.
- 11 SECTION 20. Section 1201.252(a), Occupations Code, is
- 12 amended to read as follows:
- 13 (a) A local governmental unit of this state may not adopt a
- 14 standard for the construction or installation of manufactured
- 15 housing in the local governmental unit that is different from a
- 16 standard adopted by the commission [board] unless, after a hearing,
- 17 the commission [board] expressly approves the proposed standard.
- SECTION 21. Section 1201.254, Occupations Code, is amended
- 19 to read as follows:
- Sec. 1201.254. EFFECTIVE DATE OF REQUIREMENT OR STANDARD.
- 21 Each requirement or standard that is adopted, modified, amended, or
- 22 repealed by the commission [board] must state its effective date.
- SECTION 22. Section 1201.255(b), Occupations Code, is
- 24 amended to read as follows:
- 25 (b) An installer may not install a used manufactured home at
- 26 a location on a site that has evidence of ponding, runoff under
- 27 heavy rains, or bare uncompacted soil unless the installer first

- 1 obtains the owner's signature on a form promulgated by the
- 2 commission [board] disclosing that such conditions may contribute
- 3 to problems with the stabilization system for that manufactured
- 4 home, including possible damage to that home, and the owner accepts
- 5 that risk.
- 6 SECTION 23. Sections 1201.302(a) and (b), Occupations Code,
- 7 are amended to read as follows:
- 8 (a) To ensure that a manufactured home sold or installed in
- 9 this state complies with the standards code, the director may by
- 10 contract provide for a federal agency or an agency or political
- 11 subdivision of this state or another state to perform an inspection
- 12 or inspection program under this chapter or under rules adopted by
- 13 the commission [board].
- 14 (b) On request, the department shall authorize a local
- 15 governmental unit in this state to perform an inspection or
- 16 enforcement activity related to the construction of a foundation
- 17 system or the erection or installation of manufactured housing at a
- 18 homesite under a contract or other official designation and rules
- 19 adopted by the commission [board]. The department may withdraw the
- 20 authorization if the local governmental unit fails to follow the
- 21 rules, interpretations, and written instructions of the
- 22 department.
- SECTION 24. Section 1201.405(g), Occupations Code, is
- 24 amended to read as follows:
- 25 (g) The commission [board] by rule may place reasonable
- 26 limits on the costs that may be approved for payment from the trust
- 27 fund, including the costs of reassigned warranty work, and require

- 1 consumers making claims that may be subject to reimbursement from
- 2 the trust fund to provide estimates establishing that the cost will
- 3 be reasonable. Such rules may also specify such procedures and
- 4 requirements as the commission [board] may deem necessary and
- 5 advisable for the administration of the trust fund.
- 6 SECTION 25. Section 1201.407(e), Occupations Code, is
- 7 amended to read as follows:
- 8 (e) The final determination may be appealed to the
- 9 commission [board] on or before the 10th day after the date of its
- 10 issuance by giving written notice to the director, who shall place
- 11 the matter before the commission [board] at the next meeting held on
- 12 a date for which the matter could be publicly posted as required by
- 13 Chapter 551, Government Code.
- 14 SECTION 26. Section 1201.513(b), Occupations Code, is
- 15 amended to read as follows:
- 16 (b) A retailer may not knowingly permit a consumer to occupy
- 17 a manufactured home that is the subject of a sale, exchange, or
- 18 lease-purchase to that consumer before the closing of any required
- 19 financing unless the consumer is first given a form adopted by the
- 20 commission [board] disclosing that if for any reason the financing
- 21 does not close, the consumer may be required to vacate the home.
- 22 SECTION 27. Section 1201.552, Occupations Code, is amended
- 23 to read as follows:
- Sec. 1201.552. LICENSE REVOCATION, SUSPENSION, OR DENIAL;
- 25 HEARING. The director may issue an order to revoke, suspend, or
- 26 deny a new or renewal license. If, before the 31st day after an
- 27 order revoking, suspending, or denying a license is issued, the

- 1 person against whom the order is issued requests a hearing by giving
- 2 written notice to the director, the director shall set a hearing
- 3 before the State Office of Administrative Hearings. If the person
- 4 does not request a hearing before the 31st day after the date the
- 5 order is issued, the order becomes final. Any administrative
- 6 proceedings relating to the revocation, suspension, or denial of a
- 7 license under this subsection shall be a contested case under
- 8 Chapter 2001, Government Code. The commission [board] shall issue
- 9 an order after receiving a proposal for decision.
- 10 SECTION 28. Section 1201.553, Occupations Code, is amended
- 11 to read as follows:
- 12 Sec. 1201.553. JUDICIAL REVIEW. Judicial review of any
- 13 order, decision, or determination of the commission [board] is
- 14 instituted by filing a petition with a district court in Travis
- 15 County as provided by Chapter 2001, Government Code.
- SECTION 29. Section 1201.605(d), Occupations Code, is
- 17 amended to read as follows:
- 18 (d) The director may impose an administrative penalty in
- 19 accordance with this section. If, before the 31st day after the
- 20 date a person receives notice of the imposition of an
- 21 administrative penalty, the person requests a hearing by giving
- 22 written notice to the director, the director shall set a hearing
- 23 before the State Office of Administrative Hearings. If the person
- 24 does not request a hearing before the 31st day after the date the
- 25 person receives notice of the imposition of the administrative
- 26 penalty, the penalty becomes final. Any administrative proceedings
- 27 relating to the imposition of an administrative penalty under this

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- 1 subsection shall be a contested case under Chapter 2001, Government
- 2 Code. The commission [board] shall issue an order after receiving a
- 3 proposal for decision.
- 4 SECTION 30. Section 1201.607, Occupations Code, is amended
- 5 to read as follows:
- 6 Sec. 1201.607. ISSUANCE OF ORDERS AND REQUESTS FOR
- 7 HEARINGS. Any order issued by the director under this chapter, if
- 8 not appealed before the 31st day after the date the order was
- 9 issued, shall automatically become a final order. If the person
- 10 made the subject of the order files a written request for a hearing
- 11 with the director, the order shall be deemed to have been appealed
- 12 and shall be a contested case under Chapter 2001, Government Code.
- 13 The director shall set any appealed order for a hearing before the
- 14 State Office of Administrative Hearings, and the commission [board]
- 15 shall issue a final order after receiving and reviewing the
- 16 proposal for decision issued pursuant to such hearing.
- SECTION 31. Section 1201.608(c), Occupations Code, is
- 18 amended to read as follows:
- 19 (c) The department may carry out "sting" or undercover
- 20 investigations in accordance with commission-adopted
- 21 [board-adopted] rules if the director believes such action to be
- 22 appropriate in order to detect and address suspected violations of
- 23 this chapter.
- SECTION 32. Section 1201.610(c), Occupations Code, is
- 25 amended to read as follows:
- 26 (c) An order issued under Subsection (a) or (b) must contain
- 27 a reasonably detailed statement of the facts on which the order is

- 1 based. If a person against whom the order is issued requests a
- 2 hearing before the 31st day after the date the order is issued, the
- 3 director shall set and give notice of a hearing. The hearing shall
- 4 be governed by Chapter 2001, Government Code. Based on the findings
- 5 of fact, conclusions of law, and recommendations of the hearings
- 6 officer, the commission [board] by order may find that a violation
- 7 has occurred or has not occurred.
- 8 SECTION 33. Section 1201.611(a), Occupations Code, is
- 9 amended to read as follows:
- 10 (a) The <u>commission</u> [board] shall adopt rules relating to the
- 11 administrative sanctions that may be enforced against a person
- 12 regulated by the department.
- SECTION 34. Section 11.432(a), Tax Code, is amended to read
- 14 as follows:
- 15 (a) For a manufactured home to qualify for an exemption
- 16 under Section 11.13, the application for the exemption must be
- 17 accompanied by a copy of the statement of ownership and location for
- 18 the manufactured home issued by the [manufactured housing division
- 19 of the] Texas Department of Licensing and Regulation [Housing and
- 20 Community Affairs under Section 1201.207, Occupations Code,
- 21 showing that the individual applying for the exemption is the owner
- 22 of the manufactured home or be accompanied by a verified copy of the
- 23 purchase contract showing that the applicant is the purchaser of
- 24 the manufactured home, unless a photostatic copy of the current
- 25 title page for the home is displayed on the computer website of the
- 26 Texas Department of Licensing and Regulation [Housing and Community
- 27 Affairs]. The appraisal district may rely upon the computer

- 1 records of the Texas Department of Licensing and Regulation
- 2 [Housing and Community Affairs] to determine whether a manufactured
- 3 home qualifies for an exemption.
- 4 SECTION 35. Section 23.127(a)(4), Tax Code, is amended to
- 5 read as follows:
- 6 (4) "Department" means the Texas Department of
- 7 <u>Licensing and Regulation</u> [Housing and Community Affairs].
- 8 SECTION 36. Sections 32.03(a-2), (b), and (e), Tax Code,
- 9 are amended to read as follows:
- 10 (a-2) A person may not transfer ownership of a manufactured
- 11 home until all tax liens perfected on the home that have been timely
- 12 filed with the Texas Department of Licensing and Regulation
- 13 [Housing and Community Affairs] have been extinguished or satisfied
- 14 and released and any personal property taxes on the manufactured
- 15 home which accrued on each January 1 that falls within the 18 months
- 16 preceding the date of the sale have been paid. This subsection does
- 17 not apply to the sale of a manufactured home in inventory.
- (b) A bona fide purchaser for value or the holder of a lien
- 19 recorded on a manufactured home statement of ownership and location
- 20 is not required to pay any taxes that have not been recorded with
- 21 the Texas Department of Licensing and Regulation [Housing and
- 22 Community Affairs]. In this section, manufactured home has the
- 23 meaning assigned by Section 32.015(b). Unless a tax lien has been
- 24 filed timely with the Texas Department of Licensing and Regulation
- 25 [Housing and Community Affairs], no taxing unit, nor anyone acting
- 26 on its behalf, may use a tax warrant or any other method to attempt
- 27 to execute or foreclose on the manufactured home.

- 1 If personal property taxes on a manufactured home have not been levied by the taxing unit, the taxing unit shall provide, 2 3 upon request, an estimated amount of taxes computed by multiplying the taxable value of the manufactured home, according to the most 4 recent certified appraisal roll for the taxing unit, by the taxing 5 unit's adopted tax rate for the preceding tax year. In order to 6 enable the transfer of the manufactured home, the tax collector 7 8 shall accept the payment of the estimated personal property taxes and issue a certification to the Texas Department of Licensing and 9 10 Regulation [Housing and Community Affairs] that the estimated taxes are being held in escrow until the taxes are levied. Once the taxes 11 12 are levied, the tax collector shall apply the escrowed sums to the levied taxes. At the time the tax collector accepts the payment of 13 14 the taxes, the tax collector shall provide notice that the payment 15 of the estimated taxes is an estimate that may be raised once the appraisal rolls for the year are certified and that the new owner 16 17 may be liable for the payment of any difference between the tax established by the certified appraisal roll and the estimate 18 19 actually paid.
- 20 SECTION 37. Section 623.094(a), Transportation Code, is 21 amended to read as follows:
- 22 (a) Except as authorized by Section 623.095, the department 23 may issue a permit only to:
- (1) a person licensed by the Texas Department of
 Licensing and Regulation [Housing and Community Affairs] as a
 manufacturer, retailer, or installer; or
- 27 (2) motor carriers registered with the department.

- 1 SECTION 38. The following laws are repealed:
- 2 (1) Section 2306.067(d), Government Code;
- 3 (2) Subchapter AA, Chapter 2306, Government Code; and
- 4 (3) Section 1201.003(5), Occupations Code.
- 5 SECTION 39. On the effective date of this Act:
- 6 (1) the manufactured housing division of the Texas
- 7 Department of Housing and Community Affairs and the Manufactured
- 8 Housing Board within that department, as they exist immediately
- 9 before the effective date of this Act, are each abolished and the
- 10 offices of the members of the board serving on that date are
- 11 abolished;
- 12 (2) all powers, duties, functions, and activities
- 13 performed by the manufactured housing division immediately before
- 14 the effective date of this Act are transferred to the Texas
- 15 Department of Licensing and Regulation;
- 16 (3) all employees of the manufactured housing division
- 17 become employees of the Texas Department of Licensing and
- 18 Regulation, to be assigned duties by the executive director of the
- 19 department;
- 20 (4) a rule or form of the manufactured housing
- 21 division is a rule or form of the Texas Department of Licensing and
- 22 Regulation and remains in effect until changed by the department;
- 23 (5) a reference in law to the manufactured housing
- 24 division means the Texas Department of Licensing and Regulation;
- 25 (6) a reference in a law or rule to the Manufactured
- 26 Housing Board means the Texas Commission of Licensing and
- 27 Regulation;

- 1 (7) a reference in law to the executive director of the
- 2 manufactured housing division means the executive director of the
- 3 Texas Department of Licensing and Regulation;
- 4 (8) a license, permit, or certification in effect that
- 5 was issued by the manufactured housing division is continued in
- 6 effect as a license, permit, or certification of the Texas
- 7 Department of Licensing and Regulation;
- 8 (9) a complaint, investigation, or other proceeding
- 9 pending before the manufactured housing division is transferred
- 10 without change in status to the Texas Department of Licensing and
- 11 Regulation;
- 12 (10) all obligations, rights, and contracts of the
- 13 manufactured housing division are transferred to the Texas
- 14 Department of Licensing and Regulation; and
- 15 (11) all property, including records and money, in the
- 16 custody of the manufactured housing division and all funds
- 17 appropriated by the legislature for use by the manufactured housing
- 18 division shall be transferred to the Texas Department of Licensing
- 19 and Regulation.
- SECTION 40. A member of the advisory committee described by
- 21 Section 1201.251, Occupations Code, who was appointed by the
- 22 Manufactured Housing Board before the effective date of this Act
- 23 shall continue to perform the member's duties under Sections
- 24 1201.251 and 1201.104, Occupations Code, as amended by this Act,
- 25 under the direction of the Texas Commission of Licensing and
- 26 Regulation until the expiration of the member's term.
- 27 SECTION 41. This Act takes effect September 1, 2011.