By: Williams

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A BILL TO BE ENTITLED 1 AN ACT 2 relating to the regulation of manufactured housing by the Texas Department of Licensing and Regulation. 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 4 SECTION 1. Section 2306.0521, Government Code, is amended 5 to read as follows: 6 Sec. 2306.0521. ORGANIZATIONAL FLEXIBILITY OF DEPARTMENT. 7 [(a)] Notwithstanding [Section 2306.021(b) or] any other provision 8 9 of this chapter, the director, with the approval of the board, may: (1) create divisions [in addition to those listed in 10 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 the department generally; 13 14 (2) eliminate any division [listed in Section 2306.021(b) or] created under this section and assign any duties or 15 16 powers previously assigned to the eliminated division to another division [listed in Section 2306.021(b) or] created under this 17 section; or 18 (3) eliminate all divisions [listed in Section 19 2306.021(b) or] created under this section and reorganize the 20 21 distribution of powers and duties granted to or imposed on a division in any manner the director determines appropriate for the 22 23 proper administration of the department.

[(b) This section does not apply to the manufactured housing

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division.] SECTION 2. Section 2306.591(a), Government Code, is amended to read as follows: (a) For a manufactured home to be approved for installation and use as a dwelling in a colonia: (1) the home must be a HUD-code manufactured home, as defined by Section 1201.003, Occupations Code; (2) the home must be habitable, as described by Section 1201.453, Occupations Code; and (3) ownership of the home must be properly recorded with the Texas Department of Licensing and Regulation [manufactured housing division of the department]. SECTION 3. Section 1201.003, Occupations Code, is amended by adding Subdivision (7-a) and amending Subdivisions (10) and (11) to read as follows: (7-a) "Commission" means the Texas Commission of Licensing and Regulation. "Department" means the Texas Department (10)of Licensing and Regulation [Housing and Community Affairs operating through its manufactured housing division]. (11) "Director" means the executive director of the department [manufactured housing division of the Texas Department of Housing and Community Affairs]. SECTION 4. Section 1201.053(a), Occupations Code, is amended to read as follows: (a) The commission [board] shall adopt rules and otherwise act as necessary to:

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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, are amended to read as follows:

(b) If requested, the <u>commission</u> [board] shall, after at least 10 days' notice, hold a hearing on any rule that it proposes to adopt, other than a rule that is to be adopted under emergency rulemaking, in which case only the requirements of Chapter 2001, Government Code, shall apply.

(c) A rule takes effect on the 30th day after the date of publication of notice that the rule has been adopted, except that a rule relating to installation standards may not take effect earlier than the 60th day after the date of publication of notice unless the <u>commission</u> [board] has determined that an earlier effective date is required to meet an emergency and the standard was adopted under the emergency rulemaking provisions of Chapter 2001, Government Code.

26 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 <u>commission</u> [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;

(2) except as provided by Subsection (e), a fee for the
inspection of each HUD-code manufactured home manufactured or
assembled in this state, to be paid by the manufacturer of the home;

(3) a fee for the inspection of an alteration made to the structure or plumbing, heating, or electrical system of a HUD-code manufactured home, to be charged on an hourly basis and to be paid by the person making the alteration;

19 (4) a fee for the inspection of the rebuilding of a20 salvaged manufactured home, to be paid by the rebuilder;

(5) a fee for the inspection of a used manufactured home to determine whether the home is habitable for the issuance of a new statement of ownership and location; and

24 (6) a fee for the issuance of a seal for a used mobile25 or HUD-code manufactured home.

(c) The <u>commission</u> [board] shall establish a fee for the
 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 <u>commission</u> [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 <u>commission</u> [board] shall 9 establish fees for the issuance and renewal of licenses for:

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(1) manufacturers;

(5) rebuilders; and

11 (2) retailers;

12 (3) brokers;

13 (4) salespersons;

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(6) installers.

16 SECTION 8. Section 1201.057, Occupations Code, is amended 17 to read as follows:

18 Sec. 1201.057. INSTRUCTION FEE. The <u>commission</u> [board] 19 shall charge a fee to each person attending a course of instruction 20 described by Section 1201.104.

21 SECTION 9. Sections 1201.058(a), (d), and (e), Occupations 22 Code, are amended to read as follows:

(a) The <u>commission</u> [board] shall establish reasonable fees for all matters under this chapter providing for fees. If the department's rules provide an option to file a document electronically, the department may charge a discounted fee for the electronic filing.

(d) Notwithstanding Subsection (c), the director may, in
 limited and appropriate circumstances and in accordance with rules
 adopted by the <u>commission</u> [board], approve the refund of fees.

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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 <u>commission</u>
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.

An applicant for an initial installer's license shall 13 (f) 14 receive a license on a provisional basis. The person's provisional 15 status remains in effect until a sufficient number of installations completed by the person have been inspected by the department and 16 17 found not to have any identified material violations of the department's rules. The commission [board], with the advice of the 18 advisory committee to be established under Section 1201.251, shall 19 adopt rules to establish what constitutes a sufficient number of 20 installations under this subsection. 21

SECTION 11. Section 1201.105(c), Occupations Code, is amended to read as follows:

(c) If the department experiences significant problems in
obtaining timely reimbursements from a surety or the surety has
experienced a deterioration in its financial condition, the
<u>commission</u> [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 <u>commission</u> [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:

Sec. 1201.118. RULES RELATING TO CERTAIN PERSONS. The <u>commission</u> [board] shall adopt rules providing for additional review and scrutiny of any application for an initial or renewal license that involves a person who has previously:

(1) been found in a final order to have participated in one or more violations of this chapter that served as grounds for the suspension or revocation of a license;

18 (2) been found to have engaged in activity subject to19 this chapter without possessing the required license;

20 (3) caused the trust fund to incur unreimbursed21 payments or claims; or

(4) failed to abide by the terms of a final order,including the payment of any assessed administrative penalties.

24 SECTION 14. Section 1201.1521(b), Occupations Code, is 25 amended to read as follows:

(b) Subject to rules adopted by the <u>commission</u> [board], a
 consumer may waive a right of rescission in the event of a bona fide

emergency. Such rules shall, to the extent practical, be modeled
 on the federal rules for the waiver of a right of rescission under
 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 be financed, the retailer must provide to the consumer a written 9 10 disclosure in the form promulgated by the <u>commission</u> [board]. The disclosure shall be in at least 12-point type and must address 11 12 matters of concern relating to costs and obligations that may be associated with home ownership, matters to be considered in making 13 14 financing decisions, related costs that may arise when purchasing a 15 manufactured home, and such other matters as the commission [board] may consider [deem] appropriate to promote informed purchase, 16 17 financing, and related decisions regarding the acquisition and of a manufactured home. The form shall 18 ownership 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:

22 Sec. 1201.203. FORMS; RULES. (a) The <u>commission</u> [board] 23 shall adopt rules and forms relating to:

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the manufacturer's certificate;

25 (2) the statement of ownership and location;

26 (3) the application for a statement of ownership and27 location; and

S.B. No. 1275 1 (4) the issuance of an initial or revised statement of 2 ownership.

3 (b) The <u>commission</u> [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:

(1) the name and address of the seller and the name and, if it is different from the location of the home, the mailing 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 <u>commission's</u> [board's] 19 rules:

(A) the outside dimensions of the manufactured home when installed for occupancy, as measured to the nearest one-half foot at the base of the home, exclusive of the tongue or other towing device; and

(B) the approximate square footage of the homewhen 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;

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(7) a statement regarding tax liens as follows:

10 "On January 1st of each year, a new tax lien comes into existence on a manufactured home in favor of each taxing unit having 11 12 jurisdiction where the home is actually located on January 1st. In order to be enforced, any such lien must be recorded with the Texas 13 14 Department of Licensing and Regulation [Housing and Community 15 Affairs - Manufactured Housing Division] as provided by law. You may check that department's [division's] records through its 16 17 website or contact that department [division] to learn any recorded tax liens. To find out about the amount of any unpaid tax 18 liabilities, contact the tax office for the county where the home 19 was actually located on January 1st of that year."; 20

(8) a statement that if two or more eligible persons, as determined by Section 1201.213, file with the application for the issuance of a statement of ownership and location an agreement signed by all the persons providing that the home is to be held jointly with a right of survivorship, the director shall issue the statement of ownership and location in all the names;

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(9) the location of the home;

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

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1 (2) any generic installation standards promulgated by rule shall first be reviewed by an advisory committee established 2 3 by the commission [board] comprised of representatives of manufacturers, installers, and manufacturers of stabilization 4 5 systems or devices, including one or more licensed engineers.

(e) The advisory committee established by Subsection (d) 6 shall make a report to the commission [board] setting forth each 7 8 comment and concern over any proposed rules. The members of the committee do not have any [shall have no] personal liability for 9 10 providing this advice.

SECTION 20. Section 1201.252(a), Occupations Code, 11 is amended to read as follows: 12

A local governmental unit of this state may not adopt a 13 (a) 14 standard for the construction or installation of manufactured 15 housing in the local governmental unit that is different from a standard adopted by the commission [board] unless, after a hearing, 16 17 the commission [board] expressly approves the proposed standard.

SECTION 21. Section 1201.254, Occupations Code, is amended 18 to read as follows: 19

Sec. 1201.254. EFFECTIVE DATE OF REQUIREMENT OR STANDARD. 20 Each requirement or standard that is adopted, modified, amended, or 21 repealed by the commission [board] must state its effective date. 22

Section 1201.255(b), Occupations Code, 23 SECTION 22. 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 heavy rains, or bare uncompacted soil unless the installer first 27

1 obtains the owner's signature on a form promulgated by the 2 <u>commission</u> [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 <u>commission</u> [board].

14 (b) On request, the department shall authorize a local 15 governmental unit in this state to perform an inspection or enforcement activity related to the construction of a foundation 16 17 system or the erection or installation of manufactured housing at a homesite under a contract or other official designation and rules 18 19 adopted by the commission [board]. The department may withdraw the authorization if the local governmental unit fails to follow the 20 interpretations, and written instructions of 21 rules, the 22 department.

23 SECTION 24. Section 1201.405(g), Occupations Code, is 24 amended to read as follows:

(g) The <u>commission</u> [board] by rule may place reasonable limits on the costs that may be approved for payment from the trust 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 <u>commission</u> [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 commission [board] on or before the 10th day after the date of its 9 10 issuance by giving written notice to the director, who shall place the matter before the commission [board] at the next meeting held on 11 12 a date for which the matter could be publicly posted as required by Chapter 551, Government Code. 13

SECTION 26. Section 1201.513(b), Occupations Code, is amended to read as follows:

(b) A retailer may not knowingly permit a consumer to occupy a manufactured home that is the subject of a sale, exchange, or lease-purchase to that consumer before the closing of any required financing unless the consumer is first given a form adopted by the <u>commission</u> [board] disclosing that if for any reason the financing 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; HEARING. The director may issue an order to revoke, suspend, or deny a new or renewal license. If, before the 31st day after an order revoking, suspending, or denying a license is issued, the

person against whom the order is issued requests a hearing by giving 1 written notice to the director, the director shall set a hearing 2 3 before the State Office of Administrative Hearings. If the person does not request a hearing before the 31st day after the date the 4 order is issued, the order becomes final. Any administrative 5 proceedings relating to the revocation, suspension, or denial of a 6 license under this subsection shall be a contested case under 7 8 Chapter 2001, Government Code. The commission [board] shall issue an order after receiving a proposal for decision. 9

10 SECTION 28. Section 1201.553, Occupations Code, is amended 11 to read as follows:

Sec. 1201.553. JUDICIAL REVIEW. Judicial review of any order, decision, or determination of the <u>commission</u> [board] is instituted by filing a petition with a district court in Travis County as provided by Chapter 2001, Government Code.

SECTION 29. Section 1201.605(d), Occupations Code, is amended to read as follows:

The director may impose an administrative penalty in 18 (d) 19 accordance with this section. If, before the 31st day after the person receives notice of the 20 date imposition of а an administrative penalty, the person requests a hearing by giving 21 written notice to the director, the director shall set a hearing 22 23 before the State Office of Administrative Hearings. If the person does not request a hearing before the 31st day after the date the 24 person receives notice of the imposition of the administrative 25 26 penalty, the penalty becomes final. Any administrative proceedings relating to the imposition of an administrative penalty under this 27

subsection shall be a contested case under Chapter 2001, Government
 Code. The <u>commission</u> [board] shall issue an order after receiving a
 proposal for decision.

4 SECTION 30. Section 1201.607, Occupations Code, is amended 5 to read as follows:

Sec. 1201.607. ISSUANCE OF ORDERS AND REQUESTS 6 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 issued, shall automatically become a final order. If the person 9 made the subject of the order files a written request for a hearing 10 with the director, the order shall be deemed to have been appealed 11 and shall be a contested case under Chapter 2001, Government Code. 12 The director shall set any appealed order for a hearing before the 13 14 State Office of Administrative Hearings, and the commission [board] 15 shall issue a final order after receiving and reviewing the proposal for decision issued pursuant to such hearing. 16

17 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 <u>commission-adopted</u> 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.

24 SECTION 32. Section 1201.610(c), Occupations Code, is 25 amended to read as follows:

(c) An order issued under Subsection (a) or (b) must containa 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 <u>commission</u> [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.

13 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 under Section 11.13, the application for the exemption must be 16 17 accompanied by a copy of the statement of ownership and location for the manufactured home issued by the [manufactured housing division 18 of the] Texas Department of Licensing and Regulation [Housing and 19 Community Affairs] under Section 1201.207, Occupations Code, 20 showing that the individual applying for the exemption is the owner 21 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 title page for the home is displayed on the computer website of the 25 26 Texas Department of Licensing and Regulation [Housing and Community The appraisal district may rely upon the computer 27 Affairs].

records of the Texas Department of <u>Licensing and Regulation</u>
 [Housing and Community Affairs] to determine whether a manufactured
 home gualifies 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 Licensing and Regulation [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 home until all tax liens perfected on the home that have been timely 11 12 filed with the Texas Department of Licensing and Regulation [Housing and Community Affairs] have been extinguished or satisfied 13 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 preceding the date of the sale have been paid. This subsection does 16 17 not apply to the sale of a manufactured home in inventory.

A bona fide purchaser for value or the holder of a lien 18 (b) 19 recorded on a manufactured home statement of ownership and location is not required to pay any taxes that have not been recorded with 20 the Texas Department of Licensing and Regulation [Housing and 21 Community Affairs]. In this section, manufactured home has the 22 meaning assigned by Section 32.015(b). Unless a tax lien has been 23 24 filed timely with the Texas Department of Licensing and Regulation [Housing and Community Affairs], no taxing unit, nor anyone acting 25 26 on its behalf, may use a tax warrant or any other method to attempt to execute or foreclose on the manufactured home. 27

1 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

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shall accept the payment of the estimated personal property taxes and issue a certification to the Texas Department of Licensing and 9 10 <u>Regulation</u> [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.

If personal property taxes on a manufactured home have

SECTION 37. Section 623.094(a), Transportation Code, 20 is amended to read as follows: 21

Except as authorized by Section 623.095, the department 22 (a) may issue a permit only to: 23

24 (1)a person licensed by the Texas Department of Licensing and Regulation [Housing and Community Affairs] as a 25 26 manufacturer, retailer, or installer; or

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(2) motor carriers registered with the department.

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

(7) a reference in law to the executive director of the
 manufactured housing division means the executive director of the
 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;

(10) all obligations, rights, and contracts of the manufactured housing division are transferred to the Texas Department of Licensing and Regulation; and

(11) all property, including records and money, in the custody of the manufactured housing division and all funds appropriated by the legislature for use by the manufactured housing division shall be transferred to the Texas Department of Licensing and Regulation.

SECTION 40. A member of the advisory committee described by Section 1201.251, Occupations Code, who was appointed by the Manufactured Housing Board before the effective date of this Act shall continue to perform the member's duties under Sections 1201.251 and 1201.104, Occupations Code, as amended by this Act, under the direction of the Texas Commission of Licensing and Regulation until the expiration of the member's term.

27 SECTION 41. This Act takes effect September 1, 2011.