

BILL ANALYSIS

Senate Research Center
89R3175 JG-D

S.B. 1341
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Business & Commerce
3/20/2025
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Manufactured homes are no longer only mobile homes or traditional, double-wide trailers. The manufactured home industry has grown and innovated to building homes that closely look like a traditionally built home; however, they are still prefabricated off site and conjoined at the build site. Unfortunately, current statute does not reflect manufactured housing modernization and expansion.

S.B. 1341 seeks to update current statute to reflect innovations in the manufactured housing industry and make adjustments recognizing other changes in technology and processes.

As proposed, S.B. 1341 amends current law relating to the regulation of manufactured homes.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 9.102(53), Business & Commerce Code, to redefine "manufactured home."

SECTION 2. Amends Section 1201.003(12), Occupations Code, to redefine "HUD-code manufactured home."

SECTION 3. Amends Section 1201.103(a-1), Occupations Code, as follows:

(a-1) Provides that all required records of a licensee under Subsection (a) (relating to requiring an applicant for certain licenses to file with the executive director of the manufactured housing division of the Texas Department of Housing and Community Affairs (TDHCA) a license application containing certain information) are to be maintained at the licensee's principal office or such other location, rather than such other location in this state, as the licensee is authorized to designate. Authorizes a licensee to maintain required records under this subsection electronically if the licensee can produce the record on request by TDHCA for review.

SECTION 4. Amends Section 1201.162(a), Occupations Code, as follows:

(a) Requires a retailer, before the completion of a credit application or before entering into any agreement for a sale or exchange that will not be financed, rather than more than one day before entering into any agreement for a sale or exchange that will not be financed, to provide to the consumer a written disclosure in the form promulgated by the Manufactured Housing Board within TDHCA.

SECTION 5. Amends Section 1201.164, Occupations Code, as follows:

Sec. 1201.164. New heading: CONSUMER MODIFICATION OR WAIVER OF RIGHT OF RESCISSION. Authorizes a consumer, before the execution of the sales purchase

contract, to modify or waive the right to rescind, rather than the right to rescind and the deadlines for disclosures that are provided by Subsection (a), if the consumer determines that the purchase of the manufactured home is needed to meet a bona fide personal emergency. Requires the consumer, if the consumer has a bona fide personal emergency that necessitates the immediate purchase of the manufactured home, to give the retailer a dated written statement that describes the emergency, specifically modifies or waives the right of rescission, rather than the notice periods and any right of rescission, and bears the signature of all of the consumers entitled to the right of rescission, rather than the disclosures and the right of rescission. Provides that, in such event, the retailer is required to immediately give the consumer all of the disclosures required by the Occupations Code and sell the manufactured home without the right of rescission, rather than the required waiting periods or the right of rescission.

Deletes text of existing Subsection (a) requiring a retailer, in a transaction that is to be financed and that will not be subject to the federal Real Estate Settlement Procedures Act of 1974 (Pub. L. No. 93-533) and its implementing regulations, to deliver to a consumer at least 24 hours before the sales purchase contract is fully executed the contract, with all required information included, signed by the retailer. Deletes existing text providing that the delivery of the contract, with all required information included, signed by the retailer constitutes a firm offer by the retailer. Deletes existing text authorizing the consumer, except as provided for by Subsection (b), to accept the offer not earlier than 24 hours after the delivery of the contract. Deletes existing text authorizing the retailer, if the consumer has not accepted the offer within 72 hours after the delivery of the contract, to withdraw the offer. Makes a nonsubstantive change.

SECTION 6. Effective date: September 1, 2025.