

2026 Regular Session

SENATE BILL NO. 398

BY SENATOR FOIL

HOUSING. Provides relative to the regulation of manufactured housing. (1/1/27)

1 AN ACT
2 To amend and reenact R.S. 37:2150.1 and 2155(A) and R.S. 40:1730.23(B) and to enact Part
3 II of Chapter 24 of Title 37 of the Louisiana Revised Statutes of 1950, to be
4 comprised of R.S. 37:2176 through 2176.18, Part II-A of Chapter 24 of Title 37 of
5 the Louisiana Revised Statutes of 1950, to be comprised of R.S. 37:2177.1 through
6 2177.10, Part III of Chapter 24 of Title 37 of the Louisiana Revised Statutes of 1950,
7 to be comprised of R.S. 37:2177.21 through 2177.30, and Part IV of Chapter 24 of
8 Title 37 of the Louisiana Revised Statutes of 1950, to be comprised of R.S.
9 37:2177.51 through 2177.53, and to repeal R.S. 51:911.21 through 911.47 and 912
10 through 912.53, relative to the Uniform Standards Code for Manufactured and
11 Modular Housing; to provide for the Residential Contractors Subcommittee; to
12 provide relative to factory-built housing; to provide for factory-built housing
13 residential contractors and factory-built housing developers; to provide for
14 warranties; to provide for fees and penalties; to provide for exemptions; to provide
15 for suspension or violations of license; to provide relative to severability; to provide
16 for notices; to provide relative to minimum standards for installation of
17 manufactured and modular homes; to provide for licensure; to provide for

1 enforcement of building codes by municipalities, parishes, and the fire marshal; to
2 provide for definitions; and to provide for related matters.

3 Be it enacted by the Legislature of Louisiana:

4 Section 1. R.S. 37:2150.1 and 2155(A) are hereby amended and reenacted and Part
5 II of Chapter 24 of Title 37 of the Louisiana Revised Statutes of 1950, comprised of R.S.
6 37:2176 through 2176.18, Part II-A of Chapter 24 of Title 37 of the Louisiana Revised
7 Statutes of 1950, comprised of R.S. 37:2177.1 through 2177.10, Part III of Chapter 24 of
8 Title 37 of the Louisiana Revised Statutes of 1950, comprised of R.S. 37:2177.21 through
9 2177.30, and Part IV of Chapter 24 of Title 37 of the Louisiana Revised Statutes of 1950,
10 comprised of R.S. 37:2177.51 through 2177.53, are hereby are hereby enacted to read as
11 follows:

12 §2150.1. Definitions

13 As used in this Chapter, the following terms have the following meanings:

14 (1) "Board" means the State Licensing Board for Contractors.

15 (2) "Commercial" means any construction project except residential
16 structures intended to be primarily occupied as a residence with no more than two
17 separate dwelling units incorporated into one structure.

18 (3) "Contract" means an agreement to perform a scope of work that is
19 regulated by this Chapter. The project value includes the entire cost of the labor,
20 materials, rentals, and all direct and indirect project expenses. The cost of materials,
21 rentals, and direct and indirect expenses shall be included regardless of who pays the
22 costs or if they are donated. The "principal contract" is the agreement to perform the
23 entire scope of work for a construction project.

24 (4)(a) "Contractor" means any person who undertakes to, attempts to, or
25 submits a price or bid or offers to construct, supervise, superintend, oversee, direct,
26 perform, or in any manner assume charge of the construction, alteration, repair,
27 improvement, movement, demolition, putting up, tearing down, furnishing labor, or
28 furnishing labor together with material or equipment, or installing material or
29 equipment for any of the following:

1 (i) Any building, highway, road, railroad, sewer, grading, excavation,
2 pipeline, public utility structure, project development, housing, or housing
3 development, improvement, or any other construction undertaking for which the
4 project value is fifty thousand dollars or more when the property is to be used for
5 commercial purposes.

6 (ii) Any new residential structure for which the project value is fifty thousand
7 dollars or more when the property is used for residential purposes.

8 (iii) Any improvements or repairs to an existing residential structure for
9 which the project value is seven thousand five hundred dollars or more.

10 (iv) Any mold remediation for which the project value is seven thousand five
11 hundred dollars or more.

12 (b) The term "contractor" includes persons who receive an additional fee for
13 the employment or direction of labor, or any other work beyond the normal
14 architectural or engineering services.

15 (c) A contractor holding a license in the major classification of hazardous
16 materials, or any subclassifications thereunder, is defined in terms of work
17 performed for which the project value is one dollar or more.

18 (d) "Contractor" does not mean any person, supplier, manufacturer, or
19 employee of such person who assembles, repairs, maintains, moves, puts up, tears
20 down, or disassembles any patented or proprietary equipment supplied by such
21 person to a contractor to be used solely by the contractor for a construction
22 undertaking. "Proprietary" means specific and specialized equipment installation,
23 manufacturing processes, used, or components that are protected from disclosure to
24 third parties by the owner or manufacturer of the equipment.

25 (5) "Controlled access" means the complete building or facility area under
26 direct physical control within which an unauthorized person is denied access.

27 (6) "Electrical contractor" means any person who undertakes to, attempts to,
28 or submits a price or bid or offers to construct, supervise, superintend, oversee,
29 direct, perform, or in any manner assume charge of the construction, alteration,

1 repair, improvement, movement, demolition, putting up, tearing down, or furnishing
2 labor together with material and equipment, or installing the same for the wiring,
3 fixtures, or appliances for the supply of electricity to any residential, commercial, or
4 other project, for which the project value is ten thousand dollars or more. This
5 Paragraph is not deemed or construed to limit the authority of a contractor, general
6 contractor, or residential contractor, as those terms are defined in this Section, nor
7 to require such individuals to become an electrical contractor.

8 (7) "Employee" means a worker whose employer deducts taxes from his
9 wages and reports his annual earnings to the Internal Revenue Service using a W-2
10 form.

11 (8) "Executive director" means the person appointed by the board to serve as
12 the chief operating officer in connection with the day-to-day operation of the board's
13 business. The executive director is the appointing authority for all employees of the
14 board.

15 **(9) "Extraordinary circumstances" means a federally declared disaster,**
16 **a gubernatorially declared disaster or emergency, a pandemic, or an illness or**
17 **emergency medical condition.**

18 **(10)(a) "Factory-built housing developer" means any person, group of**
19 **persons, firm, partnership, corporation, association, company, or legal entity**
20 **that sells, leases, or offers for sale or lease to the public, a lot together with the**
21 **sale of a manufactured home permanently installed and fixed on a foundation**
22 **on the lot and designed as a single family residence. For purposes of this Part,**
23 **"factory-built housing developer" includes "contractors" and "residential**
24 **contractors" as defined in this Section.**

25 **(b) "Factory-built housing developer" does not include any of the**
26 **following:**

27 **(i) An individual selling his personal residence.**

28 **(ii) A real estate broker or real estate salesman retained by a person to**
29 **sell a manufactured home together with a lot on which the manufactured home**

1 has been installed and fixed on a foundation.

2 (iii) A federally insured financial institution, its subsidiaries, or affiliates.

3 (11) "Factory-built housing dealer" means any person who is engaged,
4 wholly or in part, in the business of buying, selling, distributing, brokering, or
5 exchanging an interest in a manufactured or modular home with the intent to
6 make a profit, monetary gain, or any thing of economic value. Any person who
7 buys, sells, distributes, brokers, or exchanges an interest in more than one such
8 manufactured or modular home in any twelve-month period shall be presumed
9 to be a factory-built housing dealer. "Factory-built housing dealer" does not
10 include any of the following:

11 (a) A public officer while performing his official duties.

12 (b) A receiver, trustee, administrator, executor, guardian, or any other
13 person appointed by or acting pursuant to a judgment or order of any court.

14 (c) A federally insured financial institution, its subsidiaries, or affiliates;
15 a finance company; or any other loan agency, whose principal place of business
16 is located in Louisiana that acquires manufactured housing as an incident to its
17 regular business.

18 (d) A developer, a contractor licensed as a factory-built housing
19 developer as provided in this Section, or a real estate broker or real estate
20 salesman retained by a person to sell a manufactured home together with
21 immovable property on which the manufactured home is located.

22 (e) A manufactured housing community or park owner that sells less
23 than three manufactured homes in a twelve-month period, provided the
24 community or park owner has owned and leased the manufactured home being
25 sold for more than one year.

26 ~~(9)~~**(12)**(a) "General contractor" means a person who contracts directly with
27 the owner. The term "general contractor" includes the term "primary contractor" and
28 wherever used in this Chapter or in regulations promulgated thereunder "primary
29 contractor" means "general contractor".

1 (b) "General contractor" does not mean any person, supplier, manufacturer,
2 or employee of such person who assembles, repairs, maintains, moves, puts up, tears
3 down, or disassembles any patented or proprietary equipment supplied by such
4 person to a contractor to be used solely by the contractor for a construction
5 undertaking.

6 ~~(10)~~(13) "Home improvement" means the reconstruction, alteration,
7 renovation, repair, modernization, conversion, improvement, removal, or demolition,
8 or the construction of an addition to any preexisting residential structure which
9 building is used or designed to be used as a residence or dwelling unit, or to
10 structures which are adjacent to such residence or building for which the project
11 value is seven thousand five hundred dollars or more. "Home improvement" does not
12 include services rendered gratuitously.

13 ~~(11)~~(14) "Home improvement contractor" means any person who undertakes
14 or attempts to undertake or submits a price or bid or offers to construct, supervise,
15 superintend, oversee, direct, perform, or in any manner assume charge of a home
16 improvement project for which the project value is at least seven thousand five
17 hundred dollars but less than fifty thousand dollars. A home improvement contractor
18 shall not perform any structural work that is integral to the structural integrity of any
19 new or existing structure, including but not limited to footings, foundations, outside
20 walls, skeleton, bearing columns and interior load bearing walls, floor slabs, or
21 roofing systems to any type.

22 ~~(12)~~(15) "License" means any form of license or registration the board is
23 authorized to issue in accordance with this Chapter.

24 **(16) "Manufactured home" and "manufactured housing" means a**
25 **factory-built, residential dwelling unit constructed to standards and codes, as**
26 **promulgated by the United States Department of Housing and Urban**
27 **Development (HUD), under the National Manufactured Housing Construction**
28 **and Safety Standards Act of 1974, 42 U.S.C. 5401 et seq., as amended. The**
29 **terms "manufactured home" and "manufactured housing" may be used**

1 **interchangeably and apply to structures bearing the permanently affixed seal**
2 **of the United States Department of Housing and Urban Development.**

3 **(17)"Manufactured housing code" means the National Manufactured**
4 **Home Construction and Safety Standards Act of 1974, 42 U.S.C. 5401 et seq.,**
5 **as amended, and federal regulations promulgated pursuant thereto, along with**
6 **any construction or installation-related standards adopted by the residential**
7 **subcommittee of the State Licensing Board for Contractors.**

8 **(18) "Manufacturer" means any person who manufactures**
9 **manufactured or modular housing.**

10 ~~(13)~~**(19)** "Mechanical contractor" means any person who undertakes to,
11 attempts to, or submits a price or bid or offers to construct, supervise, superintend,
12 oversee, direct, perform, or in any manner assume charge of the construction,
13 alteration, repair, improvement, movement, demolition, putting up, tearing down, or
14 furnishing labor, or furnishing labor together with material and equipment, or
15 installing the same for the construction, installation, maintenance, testing, and repair
16 of air conditioning, refrigeration, heating systems, and plumbing for all residential,
17 commercial, and industrial applications as well as ventilation systems, mechanical
18 work controls, boilers and other pressure vessels, steam and hot water systems and
19 piping, gas piping and fuel storage, and chilled water and condensing water systems
20 and piping, including but not limited to any type of industrial process piping and
21 related valves, fittings, and components, for which the project value is ten thousand
22 dollars or more. This Paragraph is not deemed or construed to limit the authority of
23 a contractor, general contractor, or residential contractor, as those terms are defined
24 in this Section, nor to require such individuals to become a mechanical contractor.

25 **(20) "Mobile home" means a factory-built, residential dwelling unit built**
26 **to voluntary standards prior to the passage of the National Manufactured**
27 **Housing Construction and Safety Standards Act of 1974. "Mobile home"**
28 **includes and is interchangeable with the term "house trailer", but does not**
29 **include the term "manufactured home".**

1 **(21) "Modular home" and "modular housing" mean a factory-built,**
2 **residential dwelling unit built to the International Residential Code as adopted**
3 **by the Louisiana State Uniform Construction Code Council.**

4 **(22) "Modular housing code" means the International Residential Code**
5 **as adopted by the Louisiana State Uniform Construction Code Council.**

6 ~~(14)~~**(23)** "Mold remediation contractor" means any person who engages in
7 removal, cleaning, sanitizing, demolition, or other treatment, including preventative
8 activities, of mold or mold-contaminated matter that was not purposely grown at that
9 location for which the project value is seven thousand five hundred dollars or more.
10 Mold remediation applies only to the regulation of mold-related activities that affect
11 indoor air quality and does not apply to routine cleaning when not conducted for the
12 purpose of mold-related activities intended to affect indoor air quality.

13 ~~(15)~~**(24)** "Person" means any individual, firm, partnership, association,
14 cooperative, corporation, limited liability company, limited liability partnership, or
15 any other entity recognized by Louisiana law; and whether or not acting as a
16 principal, trustee, fiduciary, receiver, or as any other kind of legal or personal
17 representative, or as a successor in interest, assignee, agent, factor, servant,
18 employee, director, officer, or any other representative of such person; or any state
19 or local governing authority or political subdivision.

20 ~~(16)~~**(25)** "Plumbing contractor" means any person who installs, maintains,
21 and repairs potable and nonpotable tap water or sewer systems within a building
22 structure or residential structure for which the project value is ten thousand dollars
23 or more.

24 ~~(17)~~**(26)** "Principal" means an owner, shareholder, or an officer or director
25 of a corporation; a member or manager of a limited liability company; a general
26 partner of a partnership; a sole proprietor; a trustee; or a full-time employee with
27 similar operational control or significant influence with respect to any person as
28 determined by the board.

29 ~~(18)~~**(27)** "Qualifying party" means a natural person designated by the

1 contractor to represent the contractor for the purpose of complying with the
2 provisions of this Chapter including but not limited to meeting the requirements for
3 the initial license and any continuation thereof.

4 ~~(19)~~**(28)**(a) "Residential contractor" means any person who constructs a fixed
5 building or structure for sale or use by another as a residence or who, for a price,
6 commission, fee, wage, or other compensation, undertakes or offers to undertake the
7 construction or superintending of the construction of any residential structure which
8 is not more than three floors in height, to be used by another as a residence, for
9 which the project value is fifty thousand dollars or more. The term "residential
10 contractor" includes all persons who receive an additional fee for the employment
11 or direction of labor, or any other work beyond the normal architectural or
12 engineering services.

13 (b) "Residential contractor" includes both of the following:

14 (i) Any person bidding or performing home improvement for which the
15 project value is seven thousand five hundred dollars or more.

16 (ii) Any person performing the installation of a modular home with a value
17 equal to or greater than fifty thousand dollars for which the total project value shall
18 not include the cost of the component parts of the modular home in the condition
19 each part leaves the factory pursuant to R.S. 40:1730.71.

20 (c) "Residential contractor" does not include any person engaged in building
21 residential structures that are built to the United States Department of Housing and
22 Urban Development's construction standards for manufactured housing as outlined
23 at 42 U.S.C. 5401 et seq., or mounted on a metal chassis and wheels.

24 ~~(20)~~**(29)** "Residential roofing" means the construction, alteration, repair,
25 improvement, demolition, putting up, tearing down, furnishing labor, or furnishing
26 labor together with materials or equipment, or the installation of materials or
27 equipment for any phase of roofing specific to a residential structure for which the
28 project value is seven thousand five hundred dollars or more.

29 ~~(21)~~**(30)** "Residential roofing contractor" means any person who undertakes

1 to, attempts to, or submits a price or bid, or offers to construct, supervise,
2 superintend, oversee, direct, perform, or in any manner assume charge of a
3 residential roofing project for which the project value is seven thousand five hundred
4 dollars or more.

5 ~~(22)~~(31) "Residential structure" means a building or structure that is used
6 primarily for occupancy by a person as a residence. Such structures or buildings
7 include but are not limited to single family dwellings and duplexes which are not
8 more than three floors in height and structures that are part of or adjacent to the
9 building or structures to be used as a residence. A residential structure more than
10 three floors in height may be built by a person holding a building construction and
11 residential construction license.

12 (32) "Residential subcommittee" means the Residential Contractors
13 Subcommittee of the State Licensing Board for Contractors.

14 (33) "Salesman" means any person employed by a factory-built housing
15 dealer or factory-built housing developer for purposes of selling manufactured
16 or modular housing to the public.

17 (34) "Seal" or "label" means the permanently-affixed device or insignia
18 issued by the United States Department of Housing and Urban Development
19 (HUD) or other authority having jurisdiction that is displayed on the exterior
20 of a factory-built manufactured or modular home, certifying that the home is
21 in compliance with the manufactured housing code or the modular housing
22 code.

23 ~~(23)~~(35) "Subcontract" means an agreement to perform a portion of the scope
24 of work contained in the principal contract including the entire cost of labor and
25 materials of that part of the principal contract which is performed by the
26 subcontractor.

27 ~~(24)~~(36)(a) "Subcontractor" means a person who contracts to perform a scope
28 of work that is a part of the scope of work contained in the principal contract.

29 (b) "Subcontractor" does not include any person, supplier, or manufacturer

1 who assembles, repairs, maintains, moves, puts up, tears down, or disassembles any
2 patented or proprietary equipment supplied by such person to a contractor to be used
3 solely by the contractor for a construction undertaking.

4 **(37) "Transporter" means an individual who transports a manufactured**
5 **or modular home to a site of installation but does not perform any blocking or**
6 **anchoring of the home, except a transporter is allowed to put blocks under the**
7 **hitch on the tongue of the frame.**

8 * * *

9 §2155. Residential Contractors Subcommittee; membership; terms; powers; duties

10 A. There is hereby established within the board the Residential Contractors
11 Subcommittee, hereinafter referred to as "residential subcommittee", consisting of
12 ~~five~~ **nine** members who shall be residents of this state and who have been actively
13 engaged in residential contracting for at least five years prior to appointment by the
14 governor. Three members of the residential subcommittee shall be appointed by the
15 governor from a list of not less than ten names submitted by the Louisiana
16 Homebuilders Association as certified by its president and secretary. ~~One member~~
17 ~~of the residential subcommittee shall be from and appointed to represent the first~~
18 ~~congressional district, one member shall be from and appointed to represent the~~
19 ~~second congressional district, one member shall be from and appointed to represent~~
20 ~~the third congressional district, one member shall be from and appointed to represent~~
21 ~~the fourth and fifth congressional districts, and one member shall be from and~~
22 ~~appointed to represent the sixth congressional district.~~ **Three members of the**
23 **residential subcommittee shall be appointed by the governor from a list of not**
24 **less than ten names submitted by the Louisiana Manufactured Housing**
25 **Association as certified by its president and secretary. One member of the**
26 **residential subcommittee shall be appointed by the governor to represent each**
27 **congressional district. Two members shall be appointed by the governor as at-**
28 **large members.**

29 * * *

1 **PART II. FACTORY-BUILT HOUSING**

2 **§2176. Short title**

3 **This Part shall be known and may be cited as "Uniform Standards Code**
4 **for Manufactured and Factory-Built Housing".**

5 **§2176.1. Establishment of uniform standards codes**

6 **All new manufactured or modular homes, as defined in R.S. 37:2150.1,**
7 **which are sold or offered for sale in this state shall be in compliance with the**
8 **manufactured housing code or the modular housing code and the requirements**
9 **of this Part.**

10 **§2176.2. License required; qualifications; application; issuance; transfer;**
11 **criminal history record information; bond**

12 **A.(1) No manufacturer, factory-built housing dealer, or salesman within**
13 **or without this state shall sell or offer for sale in Louisiana any mobile home,**
14 **modular home, or manufactured housing unless he has obtained a valid**
15 **manufacturer's, factory-built housing dealer's, or salesman's license, whichever**
16 **is applicable, from the residential subcommittee as provided in this Part.**

17 **(2) No factory-built housing developer shall sell or offer for sale to the**
18 **public any manufactured or modular home unless he has obtained a license**
19 **from the residential subcommittee, as provided in this Part. No employee of a**
20 **factory-built housing developer shall offer manufactured or modular housing**
21 **for sale to the general public without first obtaining a salesman license or be a**
22 **licensed real estate agent.**

23 **(3) No manufacturer, within or without this state, shall sell, or offer for**
24 **sale to a person, any manufactured or modular housing for resale to the public**
25 **unless the person has obtained a valid factory-built housing dealer's or factory-**
26 **built housing developer's license from the residential subcommittee as provided**
27 **in this Part.**

28 **(4) A license shall be issued when the requirements of this Part are met**
29 **as herein provided.**

1 (5) The residential subcommittee may, by rule and regulation
2 promulgated in accordance with the Administrative Procedure Act, provide for
3 staggered renewal and collection of the annual license fees imposed under R.S.
4 37:2176.5.

5 (6) No factory-built housing dealer or factory-built housing developer
6 shall offer for sale to the public any new manufactured or modular home unless
7 the manufacturer of the home has obtained a valid manufacturer's license.

8 B. Application for a manufacturer's license shall be made upon the form
9 prescribed by the residential subcommittee and shall contain all of the
10 following:

11 (1) The name and address of the applicant.

12 (2) The name and address of each partner if the applicant is a
13 partnership.

14 (3) The names of the principal officers and the state in which
15 incorporated, if the applicant is a corporation.

16 (4) The place or places where the applicant's business is to be conducted.

17 (5) Any other reasonable information as may be required by the
18 residential subcommittee.

19 C.(1) No factory-built housing dealer's, factory-built housing developer's,
20 or salesman's license shall be issued to any person who has not attained the age
21 of eighteen years.

22 (2) Each applicant for an original factory-built housing dealer's license
23 or an original factory-built housing developer's license shall have first served
24 actively for one year as a salesman or shall have purchased an existing factory-
25 built housing dealer's business.

26 (3) Each retailer and developer shall be required to have at least one
27 licensed salesman.

28 D. Every application for license shall be verified by the oath or
29 affirmation of the applicant if an individual or if the applicant is a partnership

1 or corporation, by a partner or officer thereof. The applications for licenses
2 shall be in the form and detail as prescribed by the residential subcommittee.

3 E.(1) The applicant, each principal, and each designated qualifying party
4 shall complete an application and pass a background investigation. An applicant
5 shall provide all information or documentation requested by the board,
6 including but not limited to documentation relative to identification, criminal
7 history, and financial history. The board may deny approval of the applicant,
8 any of its principals, or any qualifying party for cause. The background
9 investigation shall be conducted in relation to all of the following:

10 (a) Fiduciary or monetary matters including but not limited to any
11 bankruptcy, judgment, insolvency, or lien.

12 (b) Any criminal offense resulting in a conviction, guilty plea, or plea of
13 nolo contendere.

14 (2) The residential subcommittee may deny approval of an applicant, a
15 principal, or a designated qualifying party for any of the following reasons:

16 (a) For cause.

17 (b) The applicant, principal, or designated qualifying party does not have
18 an established place of business that is used or will be used for the purpose of
19 selling, displaying, and offering for sale or dealing in manufactured housing.

20 (c) For a violation of any provision of this Part.

21 F.(1) Any manufacturer or factory-built housing dealer before removing
22 any one or more of his places of business or opening any additional place of
23 business shall apply to the residential subcommittee and obtain a separate
24 license for each place of business to which he intends to move and for each
25 additional place of business and pay the applicable fee, as provided in this Part,
26 for each place of business to which he moves and for each additional place of
27 business.

28 (2) A licensed salesman transferring employment from one factory-built
29 housing residential contractor to another factory-built housing dealer shall

1 apply to the residential subcommittee for a transfer of his salesman's license
2 within fifteen days after the date of his transfer of employment and shall pay the
3 applicable fee as provided in this Part. The application for transfer shall be in
4 a form prescribed by the residential subcommittee.

5 G.(1) Except as provided for in Paragraph (2) of this Subsection,
6 beginning January 1, 1983, every license issued under this Part shall be issued
7 annually and shall expire on December thirty-first following the date upon
8 which it was issued. Each license issued shall be renewed annually, and failure
9 to apply for a renewal license by January first of the ensuing license period shall
10 automatically suspend the license until a renewal license is applied for. During
11 the period of suspension, any practice by the licensee under the color of such
12 license shall be deemed a violation of this Part. Applications made during the
13 period of suspension shall require the payment of a fee equal to twice the
14 amount of the license renewal fee as set forth in R.S. 37:2176.5. If a license is not
15 renewed within a period of one year from the date of its expiration, it is no
16 longer eligible for renewal. An application for a new license may be submitted
17 and upon approval, a new license shall be issued. Renewal of a factory-built
18 housing dealer license shall require each factory-built housing dealer to certify
19 that he has maintained a record of providing satisfactory service to consumers.

20 (2) Beginning January 1, 1992, the residential subcommittee may, by rule
21 and regulation promulgated in accordance with the Administrative Procedure
22 Act, provide for staggered renewal and collection of the annual license fees
23 imposed under R.S. 37:2176.5. Any rule and regulation promulgated under the
24 provisions of this Paragraph providing for the staggered issuance and renewal
25 of a license shall require that the license be renewed twelve months after
26 issuance annually, and failure to apply for the renewal license shall
27 automatically suspend the license until a renewal license is applied for. During
28 the period of suspension any practice by the licensee under the color of such
29 license shall be deemed a violation of this Part. Applications made during the

1 period of suspension shall require the payment of a fee equal to twice the
2 amount of the license renewal fee as set forth in R.S. 37:2176.5. If a license is not
3 renewed within a period of one year from the date of its expiration, it is no
4 longer eligible for renewal. An application for a new license may be submitted
5 and upon approval, a new license shall be issued. Renewal of a factory-built
6 housing dealer's license shall require the factory-built housing dealer to certify
7 that he has maintained a record of providing satisfactory service to consumers.

8 H.(1) The residential subcommittee shall have the authority to request
9 and obtain from the Department of Public Safety and Corrections, Bureau of
10 Criminal Identification and Information, hereinafter referred to as the
11 "bureau", criminal history record information as defined in R.S. 37:763.1 on
12 any person applying for any license which the residential subcommittee is
13 authorized by law to issue and shall pay a fee as specified in R.S. 15:587.

14 (2) The applicant shall submit fingerprints and other identifying
15 information to the residential subcommittee, which shall then submit such
16 information to the bureau, and the bureau shall, upon request of the residential
17 subcommittee and after receipt of the fingerprint card and other identifying
18 information from the residential subcommittee, make available to the
19 residential subcommittee all arrest and conviction information contained in the
20 bureau's criminal history record and identification files which pertain to the
21 applicant.

22 (3) The residential subcommittee shall have the authority to charge and
23 collect from an applicant for any license which the board is authorized to issue,
24 in addition to all other applicable fees and costs, the amount as may be incurred
25 by the residential subcommittee in requesting and obtaining criminal history
26 record information on the applicant.

27 I.(1) All factory-built housing dealers and factory-built housing
28 developers shall annually take a residential subcommittee-approved continuing
29 education course. The individual required to take the continuing education

1 course is the individual license holder; for corporations, an officer or manager;
2 for partnerships, a partner or manager. The residential subcommittee shall set
3 the educational requirements pursuant to R.S. 37:2155(G)(3).

4 (2) All factory-built housing dealers and factory-built housing developers
5 shall provide annually along with the license application a surety bond in the
6 amount of two hundred fifty thousand dollars or post a fifty thousand dollar
7 irrevocable letter of credit with the residential subcommittee for consumer
8 protection and proof of net worth.

9 (3) Any person applying for an original factory-built housing dealer's
10 license or an original factory-built housing developer's license after January 1,
11 2004, shall take a class and pass an accompanying test prior to receiving his
12 original license. The residential subcommittee shall develop the class and test.
13 The fee for the factory-built housing residential contractor and factory-built
14 housing developer class and test shall be set by rule and shall not exceed one
15 hundred dollars.

16 J. The residential subcommittee shall require that factory-built housing
17 dealers, residential contractors, factory-built housing developers, transporters,
18 and installers show proof of continued and ongoing general liability insurance
19 coverage of at least five hundred thousand dollars. Manufacturers shall be
20 required to show proof of continued and ongoing liability insurance coverage
21 of at least one million dollars.

22 §2176.3. Manufactured home factory-built housing dealers manufacturer
23 relationship; warranty work; requirements upon termination;
24 penalty; indemnity

25 A.(1) In the event that a factory-built housing dealer ceases to do
26 business with a manufacturer due to any of the following: the manufacturer
27 refuses to honor an agreed upon sales territory; the manufacturer refuses to pay
28 warranty claims within sixty days or perform major warranty work beyond the
29 scope expected of a factory-built housing residential contractor within sixty

1 days; or the manufacturer can no longer deliver the product requested by the
2 factory-built housing dealer in a reasonable and timely manner, then after
3 notice thereof to the manufacturer by registered or certified mail return receipt
4 requested within thirty days thereafter, the manufacturer, at a minimum, shall
5 repurchase all new and unused manufactured homes of the current or
6 immediately prior model year and parts on hand that have not been damaged
7 or substantially altered to the prejudice of the manufacturer while in the
8 possession of the factory-built housing dealer and all required demonstrators.

9 (2) The manufacturer shall make the required repurchase after the
10 factory-built housing dealer terminates his franchise, sales, or any other
11 contractual agreement, and within sixty days of the submission by the factory-
12 built housing residential contractor to the manufacturer, by registered or
13 certified mail return receipt requested, of a final inventory of manufactured
14 homes and parts on hand.

15 (3) Failure to make the repurchase without just cause shall subject the
16 manufacturer to a penalty of one and one-half percent per month or fraction
17 thereof, of the inventory value of returnable manufactured homes and parts,
18 payable to the factory-built housing dealer, as long as repurchase is not made.

19 B. Any warranty work performed by a manufactured home factory-built
20 housing dealer pursuant to a manufacturer's warranty shall be reimbursed by
21 the manufacturer within sixty days of invoicing for those services at a labor rate
22 equal to but not in excess of the labor rate in effect at that retail dealership at
23 the time that the warranty work is performed. The reimbursement amount shall
24 also include reasonable costs for parts and mileage related to the performance
25 of the warranty work.

26 C. Notwithstanding the terms of any franchise, sales, or other
27 contractual agreement, each manufacturer shall indemnify and hold harmless
28 its factory-built housing dealer against any judgment for damages, including
29 but not limited to court costs and reasonable attorney fees of the factory-built

1 housing dealer, arising out of complaints, claims, or lawsuits including but not
2 limited to strict liability, negligence, misrepresentation, express or implied
3 warranty, or rescission of sale to the extent that the judgment arises out of
4 alleged defective or negligent manufacture, assembly, or design of
5 manufactured homes, parts, or accessories or other functions of the
6 manufacturer, which are beyond the control of the factory-built housing dealer.

7 D. Prior to making a change in the area of responsibility described in the
8 franchise, sales, or any other contractual agreement or sales and service
9 agreement, of a factory-built housing dealer, the franchisor or manufacturer
10 shall give the factory-built housing dealer no less than sixty days prior written
11 notice, by certified or registered mail.

12 §2176.4. Residential subcommittee

13 A. The powers and duties of the residential subcommittee shall include
14 but are not limited to the following:

15 (1) Licensing of manufacturers, factory-built housing dealers, factory-
16 built housing developers, salesmen, transporters, and installers as provided in
17 this Part and Part II-A of this Chapter.

18 (2) Working with consumers, manufacturers, factory-built housing
19 dealers, factory-built housing developers, salesmen, transporters, and installers
20 to hear complaints and make determinations relating to construction defects,
21 warranty issues, service complaints, and other matters which are not set forth
22 pursuant to 24 CFR Part 3280 and 24 CFR Part 3282. The residential
23 subcommittee may, prior to convening a formal hearing, establish a date for
24 arbitration or mediation and in its discretion, the residential subcommittee may
25 defer its authority to conduct a hearing and render a determination to an
26 independent third-party arbitrator or mediator to hear and resolve complaints
27 brought before the residential subcommittee. If the complaint is not resolved
28 through arbitration or mediation, the residential subcommittee may appoint a
29 three-member panel to conduct an initial review of the complaint. All costs

1 associated with such arbitration or mediation shall be borne by the board.

2 (3) Establishing an alternative dispute resolution process for
3 manufactured and modular home consumers in Louisiana. The residential
4 subcommittee may charge a reasonable fee to defray the cost of establishing the
5 alternative dispute resolution process.

6 (4) Requiring all licensees to maintain their records for a period of three
7 years and to keep their records open to inspection by any authorized employee
8 of the residential subcommittee during reasonable hours.

9 (5) The ability to issue cease and desist orders, and to subpoena
10 individuals and records as it deems necessary.

11 (6) The ability to take action against any licensee that hires an individual
12 that has been found to be in violation of the law and has a license that is either
13 suspended or revoked.

14 (7) Review and approve continuing education course work, required
15 under this Part or Part II-A of this Chapter, offered in other states, if the other
16 state allows for reciprocity of Louisiana continuing education course work.

17 (8) The authority to establish a mandatory uniform written
18 transportation and installation contract that is required to be used by all
19 transporters and installers when moving or installing a manufactured or
20 modular home in this state. Transporters and installers shall be required to give
21 their customers a copy of the contract, itemizing all services being provided and
22 the cost associated with those services, prior to beginning work or moving a
23 home. These records shall be maintained for at least three years and shall be
24 made available to the residential subcommittee for inspection. Transporters
25 who are only passing through the state, or are delivering a home from a
26 manufacturer to a licensee of the residential subcommittee, are not required to
27 comply with the provisions of this Paragraph. The residential subcommittee
28 may adopt rules in accordance with the Administrative Procedure Act as are
29 necessary to implement the provisions of this Paragraph.

1 **(9) The authority to adopt rules governing the repairs or renovations of**
2 **manufactured homes.**

3 **(10) Conducting meetings by remote access.**

4 **B. All expenses incurred by the residential subcommittee in carrying out**
5 **the provisions of this Part shall be proper charges against the fund.**

6 **§2176.5. Fees; disposition**

7 **A. The residential subcommittee shall impose and collect the following**
8 **schedule of fees:**

9 **(1) Original manufacturer's license** **\$250.00**

10 **(2) Manufacturer's renewal license** **\$250.00**

11 **(3) Original retailer's license** **\$150.00**

12 **(4) Factory-built housing residential contractor's renewal license** **\$150.00**

13 **(5) Original salesman's license** **\$50.00**

14 **(6) Salesman's renewal license** **\$50.00**

15 **(7) Transfer of salesman's license** **\$5.00**

16 **(8) Factory-built housing residential contractor's branch office license** **\$75.00**

17 **(9) Factory-built housing developer's original or renewal license** **\$150.00**

18 **B. All fees or fines collected under the provisions of this Part or Part II-A**
19 **of this Chapter shall be collected and received by the executive director of the**
20 **residential subcommittee and, upon receipt, shall be deposited by him into the**
21 **state treasury and, after compliance with the provisions of Article VII, Section**
22 **9(B) of the Constitution of Louisiana, relative to the Bond Security and**
23 **Redemption Fund, shall be credited to the Residential Subcommittee**
24 **Manufactured Housing Fund which is hereby created as a special fund in the**
25 **state treasury. Monies in the Residential Subcommittee Manufactured Housing**
26 **Fund shall be appropriated by the legislature for use solely for the purposes of**
27 **the activities of the residential subcommittee in implementing and enforcing the**
28 **manufactured housing provisions of this Part and Part II-A of this Chapter.**

29 **§2176.6. Motor vehicle inspection; exception**

1 The provisions of Chapter 7 of Title 32 of the Louisiana Revised Statutes
2 of 1950, relative to inspections shall not apply to manufactured or modular
3 housing.

4 §2176.7. Serial numbers on manufactured and modular homes

5 A serial number shall be stamped by the manufacturer on the header
6 plate or front cross member of the frame so that it can be easily read. It may not
7 contain more than fifteen digits. Any multiple units shall contain the same serial
8 number with letters of the alphabet designating that each is a different, separate
9 unit. Starting with the letter "A", each unit addition shall be in alphabetical
10 order. The letter shall be stamped at the end of the serial number.

11 §2176.8. Administration and enforcement of Part; powers of residential
12 subcommittee; cease and desist orders; applicability of
13 Administrative Procedure Act

14 A.(1) The residential subcommittee is charged with the adoption,
15 administration, and enforcement of manufactured housing construction and
16 safety standards and any other rules and regulations necessary for the
17 administration and enforcement of this Part which are not set forth pursuant
18 to 24 CFR Part 3280 and CFR Part 3282, Subpart I.

19 (2) The residential subcommittee may adopt, pursuant to the
20 Administrative Procedure Act, such rules and regulations as are necessary to
21 enforce the standards promulgated under this Section and any other rules and
22 regulations necessary for the administration and enforcement of this Part.

23 (3) For the performance of duties required under the provisions of this
24 Part, including but not limited to the inspections necessary to administer and
25 enforce the standards, rules, or regulations adopted under this Subsection, the
26 residential subcommittee may adopt fees of not more than fifty dollars per
27 inspection and not more than twenty-five dollars per hour for services
28 performed in conducting the inspections.

29 B. The board may contract for professional services and may hire

1 employees as it deems necessary for the performance of its functions required
2 or authorized by the provisions of this Part, to the extent that funds are
3 available therefor.

4 C. Except as otherwise provided in this Part, the provisions of Chapter
5 13 of Title 49 of the Louisiana Revised Statutes of 1950 shall apply to the
6 administration and enforcement of this Part.

7 D. The residential subcommittee or its authorized representatives may
8 enter any place, establishment, or location where manufactured or modular
9 homes are manufactured, sold, offered for sale, transported, or installed for the
10 purpose of ascertaining whether the requirements of the manufactured housing
11 code or the modular housing code and of this Part and Part II-A of this
12 Chapter, and the rules and regulations of the residential subcommittee, have
13 been or are being complied with.

14 §2176.9. Agent for service of process

15 Any person licensed by the residential subcommittee who is domiciled
16 outside of this state and does not maintain a place of business in this state shall
17 appoint a registered agent with the secretary of state to serve as his agent for
18 service of process in any action or proceeding arising from the licensee's
19 business activities.

20 §2176.10. Suit by residential subcommittee for violations; venue; relief
21 obtainable

22 A. Whenever it appears that a person is violating or is threatening to
23 violate the manufactured housing code, the modular housing code, or a
24 provision of this Part, Part II-A of this Chapter, or any rule or regulation
25 adopted and promulgated by the residential subcommittee in accordance with
26 the Administrative Procedure Act, the residential subcommittee shall bring suit
27 to restrain that person from continuing the violation or from carrying out the
28 threat.

29 B. Venue lies in the Nineteenth Judicial District Court.

1 C. In the suit, the residential subcommittee may obtain injunctions,
2 prohibitory and mandatory, including temporary restraining orders and
3 preliminary injunctions, as the facts warrant, including, when appropriate,
4 injunctions restraining a person from moving or disposing of a manufactured
5 home that is subject to the requirements of this Part, Part II-A of this Chapter,
6 or any rule or regulation adopted and promulgated by the residential
7 subcommittee in accordance with the Administrative Procedure Act, or to
8 restrain a person from engaging in any business for which a license has been or
9 should be issued under this Part or Part II-A of this Chapter. Any such
10 manufactured home may, in the court's discretion, be ordered impounded or
11 placed under the control of an agent appointed by the court.

12 D. All costs incurred by the residential subcommittee, including
13 reasonable attorney fees, may be borne by the person or licensee who has been
14 enjoined, or found in violation of the provisions of the manufactured housing
15 code, the modular housing code, or any provision of this Part, or Part II-A of
16 this Chapter, or any rule or regulation adopted and promulgated by the
17 residential subcommittee in accordance with the Administrative Procedure Act.

18 §2176.11. Hearings to investigate and determine violations; orders prohibiting
19 violations and requiring compliance

20 A. Whenever in the opinion of the residential subcommittee the
21 manufactured housing code, the modular housing code, or the requirements of
22 this Part or Part II-A of this Chapter is being violated, it may conduct hearings
23 to investigate and determine whether the violation has occurred or is occurring
24 and may issue orders prohibiting such violation and requiring compliance with
25 the manufactured housing code or the modular housing code and the provisions
26 of this Part or Part II-A of this Chapter.

27 B. All costs incurred by the residential subcommittee, including
28 reasonable attorney fees, may be borne by the person or licensee who has been
29 found in violation of the provisions of the manufactured housing code, the

1 modular housing code, any provision of this Part, Part II-A of this Chapter, or
2 any rule or regulation adopted and promulgated by the residential
3 subcommittee in accordance with the Administrative Procedure Act.

4 §2176.12. Suspension or revocation of licenses for violation

5 After prior notice and hearing, the residential subcommittee may
6 suspend or revoke the license of any manufactured or modular home licensee
7 licensed pursuant to the provisions of this Part or Part II-A of this Chapter for
8 violations of the manufactured housing code, the modular housing code, or any
9 provision of this Part or Part II-A of this Chapter. The notice, hearing, and
10 actions as prescribed in this Section shall be governed by the provisions of
11 Chapter 13 of Title 49 of the Louisiana Revised Statutes of 1950, and
12 particularly R.S. 49:977.3(C) relative to emergency action.

13 §2176.13. Penalties for violations

14 A. Whoever is found guilty of violating the manufactured housing code,
15 the modular housing code, any provision of this Part, Part II-A of this Chapter,
16 any rule or regulation, or final order issued thereunder shall be liable to the
17 state through the residential subcommittee for a civil penalty not in excess of
18 two thousand five hundred dollars for each violation. If the residential
19 subcommittee determines a violation was intentional or the violator is a habitual
20 offender, the residential subcommittee may double the civil penalty up to five
21 thousand dollars for each violation. Each violation constitutes a separate
22 violation with respect to each manufactured or modular home, or with respect
23 to each failure or refusal to allow or perform an act required thereby, except
24 that the maximum civil penalty shall not exceed one million dollars for any
25 related series of violations occurring within one year from the date of the first
26 violation.

27 B. Any individual or director, officer, or agent of a corporation who
28 knowingly and willingly violates any provision of the manufactured housing
29 code, the modular housing code, any provision of this Part, Part II-A of this

1 Chapter, or any applicable rule or regulation issued thereunder in a manner
2 which threatens the health and safety of any purchaser shall be fined not more
3 than one thousand dollars or imprisoned not more than one year, or both.

4 §2176.14. Severability

5 If any provision of this Part or the application thereof is held invalid,
6 such invalidity shall not affect other provisions, items, or applications of this
7 Part that can be given effect without the invalid provision, item, or application
8 and to this end the provisions of this Part are hereby declared severable.

9 §2176.15. Supremacy of the Part

10 Notwithstanding any provision of law to the contrary, the codes and
11 standards referenced in R.S. 37:2177.1 et seq., and those adopted by the
12 residential subcommittee, shall be the only construction and installation
13 standards used for manufactured or modular housing in Louisiana, and these
14 standards shall preempt all local standards as they relate to the construction
15 and installation of manufactured or modular homes in Louisiana.

16 §2176.16. Maintenance of records; reports required

17 Each licensee shall establish and maintain such records, make such
18 reports, and provide such information as the residential subcommittee may
19 reasonably require in order to be able to determine whether such licensee has
20 acted or is acting in compliance with the manufactured housing code or the
21 modular housing code and any provision of this Part, Part II-A of this Chapter,
22 or any rule or regulation adopted by the residential subcommittee. Upon
23 request of the residential subcommittee, each licensee shall permit the
24 residential subcommittee or its representative to inspect appropriate books,
25 papers, records, and documents relevant to determining whether the licensee
26 has acted or is acting in compliance with the provisions of this Part, Part II-A
27 of this Chapter, or any rule, as well as any regulation or order issued
28 thereunder.

29 §2176.17. Down payments; sale of manufactured housing

1 It is unlawful for a factory-built housing residential contractor or
2 factory-built housing developer to set forth in any retail installment sales
3 contract, chattel mortgage, or security agreement any down payment unless all
4 of the down payment has actually been received by the factory-built housing
5 dealer or factory-built housing developer at the time of execution of such
6 document. If any part of the down payment is represented by a loan, trade-in,
7 or any consideration other than cash, this fact shall be expressly set forth on the
8 retail installment sales contract, chattel mortgage, or security agreement. No
9 amount of the cash down payment shall be from any rebate or other
10 consideration received by or to be given to the consumer from the factory-built
11 housing residential contractor or factory-built housing developer, or his
12 respective agent.

13 §2176.18. Use of model manufactured and modular homes

14 A. Notwithstanding the provisions of R.S. 40:1730.21 et seq. and 1730.51
15 et seq. to the contrary, a licensed factory-built housing dealer or factory built
16 housing developer shall be allowed to use a manufactured and modular home
17 model to conduct only manufactured and modular home sales-related activity
18 at the location of sales of manufactured and modular homes. Manufactured and
19 modular home sales-related activity includes but is not limited to executing
20 contracts, making copies or phone calls, showing manufactured and modular
21 home models, or engaging in any other sales-related activity.

22 B. The licensed factory-built housing dealer or factory-built housing
23 developer shall also adhere to the following requirements:

24 (1) There shall be no overnight sleeping in the manufactured or modular
25 home.

26 (2) The manufactured or modular home shall be properly installed in
27 accordance with applicable federal and state statutes, rules, regulations, and
28 codes.

29 PART II-A NEW MANUFACTURED AND MODULAR

HOME WARRANTIES§2177.1. Purpose

The legislature finds a need to promote commerce in Louisiana by providing clear, concise, and mandatory warranties for the purchasers and occupants of new manufactured and modular homes in Louisiana and by providing for the use of homeowners' insurance as additional protection for the public against defects in the construction of new manufactured and modular homes. This need can be met by providing a warranty for a new manufactured or modular home purchaser defining the responsibility of the builders to that purchaser and subsequent purchasers during the warranty periods provided herein. The warranty, which is mandatory in most cases, shall promote uniformity of defined building standards. Additionally, all provisions of this Part shall apply to any defect, although there is no building standard directly regulating the defective workmanship or materials.

§2177.2. Short title

This Part shall be known and may be cited as the "New Manufactured and Modular Home Warranty Act".

§2177.3. Definitions

For purposes of this Part, the following words, phrases, and terms are defined and construed as follows:

(1) "Builder" means the factory-built housing residential contractor who sold the home, the manufacturer who constructed the home or any section of the home if it is a multi-section home, the installer who installed the home, any person or entity that designed, manufactured, or constructed the home, whether or not the consumer purchased the underlying real estate with the home or the builder initially occupied the home as his residence, or any person or entity licensed by the residential subcommittee.

(2)(a) "Building standards" for manufactured housing means the National Manufactured Home Construction and Safety Standards Act of 1974,

1 42 U.S.C. 5401 et seq., as amended, and federal regulations promulgated
2 pursuant thereto, along with any construction or installation-related standards
3 adopted by the Louisiana Manufactured Housing Commission or its successor
4 the residential subcommittee, together with any additional performance
5 standards, if any, which the builder may undertake to be in compliance.

6 (b) "Building standards" for modular housing means the International
7 Residential Code as adopted by the Louisiana State Uniform Construction Code
8 Council.

9 (3) "Home" means a manufactured home or modular home as defined
10 in R.S. 37:2150.1.

11 (4) "Initial purchaser" means any person for whom a home is built or
12 the first person to whom a home is sold upon completion of construction.

13 (5) "Major structural defect" means any actual physical damage to the
14 following designated, load-bearing portions of a home caused by failure of the
15 load-bearing portions which affects their load-bearing functions to the extent
16 the home becomes unsafe, unsanitary, or is otherwise unlivable:

17 (a) Foundation systems and footings.

18 (b) Beams.

19 (c) Girders.

20 (d) Lintels.

21 (e) Columns.

22 (f) Walls and partitions.

23 (g) Floor systems.

24 (h) Roof framing systems.

25 (6) "Owner" means the initial purchaser of a home and any of his
26 successors in title, heirs, invitees, or assigns to a home during the time the
27 warranties provided under this Part are in effect.

28 (7) "Warranty commencement date" means the date that legal title to a
29 home is conveyed to its initial purchaser or the date the home is first occupied,

1 whichever occurs first.

2 §2177.4. Warranties; exclusions

3 A. Subject to the exclusions provided in Subsection B of this Section,
4 every builder warrants the following to the owner:

5 (1) One year following the warranty commencement date, the home will
6 be free from any defect due to noncompliance with the building standards or
7 due to other defects in materials or workmanship not regulated by building
8 standards.

9 (2) Two years following the warranty commencement date, the
10 plumbing, electrical, heating, cooling, and ventilating systems exclusive of any
11 appliance, fixture, and equipment will be free from any defect due to
12 noncompliance with the building standards or due to other defects in materials
13 or workmanship not regulated by building standards.

14 (3) Five years following the warranty commencement date, the home will
15 be free from major structural defects due to noncompliance with the building
16 standards or due to other defects in materials or workmanship not regulated by
17 building standards.

18 B. Unless the parties otherwise agree in writing, the builder's warranty
19 shall exclude the following items:

20 (1) Fences, landscaping, including but not limited to sodding, seeding,
21 shrubs, existing and new trees, and plantings, as well as off-site improvements,
22 all driveways and walkways, or any other improvement not a part of the home
23 itself.

24 (2) After the first year, the concrete floor of a basement and the concrete
25 floor of an attached or unattached garage that is built separate from a
26 foundation wall or other structural element of the home.

27 (3) Damage to real property which is not part of the home covered by the
28 warranty and which is not included in the purchase price of the home.

29 (4) Any damage to the extent it is caused or made worse by any of the

1 following:

2 (a) Negligence, improper maintenance, neglect, or improper operation
3 by anyone other than the builder or any employee, agent, or subcontractor of
4 the builder.

5 (b) Failure by anyone other than the builder or any employee, agent, or
6 subcontractor of the builder to comply with the warranty requirements of
7 manufacturers of appliances, equipment, or fixtures.

8 (c) Failure by the owner to give written notice by registered or certified
9 mail to the residential subcommittee of any defect within the time set forth in
10 this Section; however, the provisions of this Subparagraph shall not be
11 construed to change either the warranty periods enumerated in Subsection A
12 of this Section or the notice requirements provided by this Section.

13 (d) Any change of the grading of the ground by anyone other than the
14 builder, or any employee, agent, or subcontractor of the builder.

15 (e) Any change, alteration, or addition made to the home by anyone after
16 the initial occupancy by the owner, except any change, alteration, or addition
17 performed by the builder or any employee, agent, or subcontractor of the
18 builder.

19 (f) Dampness, condensation, or other damage due to the failure of the
20 owner to maintain adequate ventilation or drainage.

21 (5) Any loss or damage which the owner has not taken timely action to
22 minimize.

23 (6) Any defect in, or any defect caused by, materials or work supplied by
24 anyone other than the builder or any employee, agent, or subcontractor of the
25 builder.

26 (7) Normal wear and tear or normal deterioration.

27 (8) Loss or damage which does not constitute a defect in the construction
28 of the home by the builder or any employee, agent, or subcontractor of the
29 builder.

1 (9) Loss or damage resulting from war, accident, riot and civil
2 commotion, water escape, falling objects, aircraft, vehicles, acts of God,
3 lightning, windstorm, hail, flood, mudslide, earthquake, volcanic eruption,
4 wind-driven water, and changes in the level of the underground water table
5 which are not reasonably foreseeable.

6 (10) Any damage caused by soil movement which is covered by other
7 insurance.

8 (11) Insect damage.

9 (12) Any loss or damage which arises while the home is being used
10 primarily for a nonresidential purpose.

11 (13) Any condition which does not result in actual physical damage to the
12 home.

13 (14) Bodily injury or damage to personal property.

14 (15) Any cost of shelter, transportation, food, moving, storage, or other
15 incidental expense related to relocation during repair.

16 (16) Any defect not reported in writing by registered or certified mail to
17 the residential subcommittee or insurance company, as appropriate, prior to the
18 expiration of the period specified in Subsection A of this Section for such defect
19 plus thirty days.

20 (17) Consequential damages.

21 (18) Any loss or damage to a home caused by soil conditions or soil
22 movement if the home is constructed on land owned by the initial purchaser and
23 the builder obtains a written waiver from the initial purchaser for any loss or
24 damage caused by soil conditions or soil movement.

25 (19) Mold and mold damage.

26 C. The provisions of Subsection A of this Section establish minimum
27 required warranties and shall not be waived by the owner or reduced by the
28 builder provided the home is a single- or multiple-family dwelling to be
29 occupied by an owner as his home.

1 §2177.5. Required notice

2 A. Before undertaking any repair himself or instituting any action for
3 breach of warranty, the owner shall give the residential subcommittee written
4 notice on each individual home that is defective by filling out the consumer
5 complaint form provided by the residential subcommittee and submitting it by
6 registered or certified mail within one year after knowledge of the defect,
7 advising the residential subcommittee of all defects in the individual home. The
8 residential subcommittee shall then have the individual home inspected and a
9 determination made on all defects listed by the owner. Thereafter, the
10 residential subcommittee shall give the appropriate builder a reasonable
11 opportunity to comply with the provisions of this Part. Once the repairs are
12 made, the residential subcommittee shall have the home reinspected to
13 determine if the repairs have been made in compliance with the building
14 standards.

15 B. The factory-built housing residential contractor or developer licensee
16 shall give the owner written notice of the requirements of this Part at the time
17 of the closing between the factory-built housing residential contractor or
18 developer and the owner, or if there is no such closing, at the time of the
19 execution of the purchase agreement between the factory-built housing
20 residential contractor or developer and the owner. The residential
21 subcommittee shall adopt and promulgate rules and regulations in accordance
22 with the Administrative Procedure Act to implement the provisions of this
23 Subsection.

24 §2177.6. Peremption

25 Any action to enforce any warranty provided in this Part shall be subject
26 to a peremptive period of thirty days after the expiration of the appropriate
27 time period provided in R.S. 37:2177.4.

28 §2177.7. Insurance

29 All or part of the builder's obligation under any warranty required in

1 this Part may be insured by the builder for the benefit of the purchaser through
2 an insurance company authorized to transact business in this state.

3 §2177.8. Transfer of warranty and insurance

4 Any warranty imposed pursuant to this Part and any insurance benefit
5 shall automatically transfer without charge to a subsequent owner who acquires
6 title to the home. Any transfer of the home shall not extend the duration of any
7 warranty or insurance coverage.

8 §2177.9. Violations; limitations

9 A. If a builder violates this Part by failing to perform as required by the
10 warranties provided in this Part, any affected owner shall have a cause of action
11 against the builder for actual damages, including attorney fees and court costs,
12 arising out of the violation. The damages with respect to a single defect shall not
13 exceed the reasonable cost of repair or replacement necessary to cure the defect,
14 and damages with respect to all defects in the home shall not exceed the original
15 purchase price of the home.

16 B. The parties may provide for the arbitration of any claim in dispute.
17 Any arbitration shall comply with and may be binding only to the extent
18 provided for in R.S. 9:4201 et seq.

19 §2177.10. Exclusiveness

20 This Part provides the exclusive remedies, warranties, and preemptive
21 periods as between the builders and owner relative to the construction of homes
22 as defined in this Part, and no other provisions of law relative to warranties and
23 redhibitory vices and defects shall apply. Nothing herein shall be construed as
24 affecting or limiting any warranty of title to land or improvements.

25 PART III. MINIMUM STANDARDS FOR INSTALLATION
26 OF MANUFACTURED AND MODULAR HOMES AND
27 TRANSPORTATION REQUIREMENTS

28 §2177.21. Definitions

29 For the purposes of this Part, the following words have the following

1 meanings:

2 (1) "Frame tie" or "tie down" means any device approved and used for
3 the purpose of securing manufactured or modular homes to ground anchors in
4 order to resist wind forces.

5 (2) "Ground anchor" means any device approved and used for the
6 purpose of securing manufactured or modular homes to the ground in order to
7 resist wind forces.

8 (3) "Ground level" means an anchor has been fully installed so the head
9 is at the surface of the soil.

10 (4) "Installation permit" means a permit issued by the residential
11 subcommittee to a licensed installer or the homeowner who shall certify that the
12 home is in compliance with this Part.

13 (5) "Installation permit sticker" means a sticker issued by the residential
14 subcommittee, along with an installation permit, which is to be affixed to the
15 home to signify that the home is in compliance with this Part.

16 (6) "Installer" means a person licensed by the board to install a
17 manufactured or modular home.

18 (7) "Over-roof tie" means a certain device approved by the
19 manufactured homes manufacturer and used for the purpose of securing the
20 manufactured homes systems to ground anchors in order to resist wind forces.
21 Ties may be installed only under roof material.

22 (8) "Setup" or "installation" means the operations performed at the
23 occupancy site which render manufactured and modular homes fit for
24 habitation. Such operations include but are not limited to positioning, blocking,
25 leveling, supporting, tying down, making minor adjustments and trim out, and
26 assembling multiple or expandable units in the final construction process.

27 (9) "Stabilizer device" means an approved device or method that is used
28 to resist lateral movement of manufactured homes and anchors.

29 (10) "Transporter" means an individual who transports a manufactured

1 or modular home to the site of installation but does not perform any blocking
2 or anchoring of the home, except a transporter is allowed to put blocks under
3 the hitch on the tongue of the frame.

4 §2177.22. Installation standards for manufactured and modular homes

5 All manufactured and modular homes shall be installed to meet the
6 following standards, unless otherwise specified in this Part:

7 (1) Installation standards for the setup of new manufactured homes shall
8 be in compliance with the manufacturer's installation instructions. Installation
9 for the setup of new or used modular homes shall be in compliance with the
10 International Residential Code enforced by the local authority having
11 jurisdiction.

12 (2) Installation standards for the setup of used manufactured homes shall
13 be in compliance with the manufacturer's installation instructions, if available.
14 In the absence of the manufacturer's installation instructions, used
15 manufactured homes shall comply with the provisions of this Part.

16 (3) All anchors, piers, and tie-down components used in the installation
17 of manufactured homes shall be tested and meet the minimum industry
18 standards. Installation of such anchors and components shall be in accordance
19 with the manufacturer's instructions.

20 (4) As to site preparation, the under-home grade, or ground, shall be
21 cleaned of all vegetation and organic material, such as stumps, roots, etc., except
22 grass not exceeding three inches in height. The area beneath and around the
23 home shall be crowned, sloped or properly drained so that water will not flow
24 or accumulate under the home. All grass and organic material shall be removed
25 and the pier foundation placed on stable soil or compacted fill. When the soil
26 compaction or soil-bearing capacity is not known, the local building authority
27 in the locale may be consulted or a reading by the use of a pocket penetrometer
28 may be obtained. The bottom of the footer or footers shall be placed on stable
29 soil. The pier foundation shall be a minimum of three and one-half inches by

1 sixteen inches by sixteen inches solid concrete pad or equivalent, precast or
2 poured in place, or approved material by the regulatory agency. The regulatory
3 agency, or its duly authorized representatives, shall cause products to be
4 analyzed or tested to require that the pier foundation products have a deflection
5 of not more than three-eighths inch under design load. Such testing may be
6 conducted by an independent third party qualified and approved by the agency.
7 Previous testing data submitted in other jurisdictions may be considered by the
8 agency. Where the manufacturer's specifications have additional requirements
9 other than the above, the more stringent shall apply. The landowner shall be
10 responsible for proper site preparation in accordance with this Paragraph.

11 (5) All manufactured homes shall be anchored with an approved anchor
12 system. All auger systems shall be installed to a minimum depth of thirty inches,
13 or two and one-half feet, in undisturbed or compacted soil. Piers are to be
14 installed off center of the anchors so as not to interfere with the proper
15 alignment of the strapping. Anchors may be installed in predrilled holes,
16 provided the anchor penetrates a minimum of two feet into undisturbed soil
17 beyond the predrilled hole. When the anchor manufacturer's installation
18 instructions permit, the hole is then backfilled with soil compacted in layers not
19 exceeding six inches. For manufactured homes produced after July 13, 1994, the
20 installer shall refer to the manufacturer's setup manual for the ultimate load
21 requirements for anchors at the different tie points on the manufactured home.
22 For used manufactured homes when the manufacturer's setup manual is not
23 available, all anchor points at side walls, shear walls, end walls, centerline, and
24 other points as identified by the manufacturer, shall be certified for an ultimate
25 load of four thousand seven hundred twenty-five pounds. Anchors are required
26 one at each end of shear walls; one on each end of each I-beam; one frame tie
27 at each vertical tie point; one in each end of each marriage wall, centerline; and
28 on each ridge beam support post.

29 (6) Frame tie ground anchors shall have approved stabilizing devices

1 installed on the inside, in the direction of pull, with the top of the stabilizing
2 plate driven flush with the soil unless otherwise specified by the manufacturer's
3 guidelines.

4 (7) Piers or load-bearing supports or devices shall be installed and
5 constructed to evenly distribute the loads. Steel piers with mechanical
6 adjustments shall be securely attached to the frame of all manufactured homes.
7 Manufactured load-bearing supports or devices shall be listed and approved for
8 the use intended, or piers shall be constructed as outlined in this Part. Concrete
9 products shall comply with the minimum dimensional and structural
10 requirements for load-bearing. Solid and cell concrete blocks shall be to the
11 standard specification for load-bearing concrete masonry units, ASTM C-90,
12 1993 Edition. Poured concrete shall be a minimum of FCL = 2500 PSI. All
13 plastic products shall be conditioned at ASTM D 618-61, reapproved 1990,
14 standard practice for conditioning plastics and electrical insulating materials
15 for testing. Plastics shall be tested to the ASTM D 790-92 standard test methods
16 for flexural properties or unreinforced and reinforced plastics and electrical
17 insulating materials, ASTM D 732-85 standard test method for shear strength
18 or plastics by punch tool, and ASTM G 53-88 standard practice for operating
19 light and water exposure apparatus for exposure of nonmetallic materials.

20 (8)(a) In flood-prone areas, the foundation shall comply with the
21 requirements set forth in the manual, Manufactured Home Installation In Flood
22 Hazard Areas, published by the Federal Emergency Management Agency
23 (FEMA). Nothing in this Paragraph shall be construed to prohibit state or local
24 jurisdictions from adopting more stringent elevation or freeboard requirements
25 than those contained in the FEMA manual, consistent with Subparagraph (b)
26 of this Paragraph.

27 (b) For all manufactured and modular home installations in this state,
28 the state and political subdivisions may adopt laws, rules, ordinances, building
29 codes, or other measures to regulate installations that include additional

1 freeboard requirements beyond the minimum standards adopted by the
2 National Flood Insurance Program, 42 U.S.C. 4011 et seq., in order to
3 incentivize going above the minimum floodplain management standards.
4 Freeboard requirements shall be uniformly applied based on the Base Flood
5 Elevation established in the currently adopted Flood Insurance Rate Map for
6 the jurisdiction and shall not vary based on alternative or superseded mapping
7 sources.

8 (c) All applications submitted to and permits issued by a jurisdiction's
9 permit office shall include the Base Flood Elevation at the permitted site and the
10 required finished floor elevation, including any applicable freeboard.

11 (9) The marriage line on all multisectional homes shall be sealed with
12 industry-approved materials at the ceiling line, the floor line, and the end walls
13 to restrict any air infiltration into the home.

14 §2177.23. Foundations and piers

15 The following guidelines shall be used when the installation of
16 foundations and piers is not specified in the manufacturer's instructions or
17 when the manufacturer's installation instructions are not available:

18 (1) Piers:

19 (a) Piers shall be centered under the I-beam and installed as provided by
20 rules promulgated by the residential subcommittee. The first pier shall be
21 within two feet of either end of the home. The pier foundation shall be a
22 minimum of three and one-half inches by sixteen inches by sixteen inches solid
23 concrete pad precast or poured in place, or other pad meeting the 2,500 PSI
24 rating, or other approved material.

25 (b) Piers may be constructed of regular eight inches by eight inches by
26 sixteen inches concrete blocks, open cells, solid (minimum eight inches by ten
27 inches top), centered on the footing or foundation. A one inch or two inch by
28 eight inch by sixteen inch treated or hardwood plate, or other approved
29 material shall completely cover the top of the pier with shims, one-fourth inch

1 minimum and one and one-half inch maximum, centered and driven tight from
2 both sides of the I-beam between the wood plate or cap and the main frame.
3 Single-tiered block piers shall be installed perpendicular to the main I-beam.
4 However, when a pier has been capped with at least a four inch (three and one-
5 half inch) solid concrete block or other approved material, one- fourth inch of
6 wood stock or wood shims shall be installed between the pier and steel I-beam.

7 (c) Center line piers shall be located at each end of center line and shall
8 be located on each end of the opening within six inches of jamb studs or ridge
9 beam posts where openings four feet wide or greater occur. Any openings four
10 feet or larger in the exterior sidewall or marriage wall shall require blocking at
11 each end of the opening with four inch by sixteen inch by sixteen inch pads.
12 Piers shall also be installed on each side of any perimeter door or fireplace. Bay
13 windows or any opening forty-eight inches or more shall require blocking at
14 each end. Fourteen feet or wider units with an I-beam spread of less than
15 eighty-two inches and twelve feet wide units with an I-beam spread of less than
16 seventy-five and one-half inches shall have perimeter blocking installed at a
17 minimum of eight foot on center. Piers shall not be required under the clear,
18 open, spans between ridge beam posts.

19 (d) All piers over thirty-six inches and corners over twenty-four inches
20 in height shall be double tiered with blocks interlocked and capped with two
21 four inch by eight inch by sixteen inch solid concrete blocks side by side and
22 perpendicular to the I-beam, or other approved material and cushioned with
23 wood shims or treated plate. Pier height is measured from the top of the footer
24 or foundation to the top of the cement block stack, including four inch cap
25 blocks.

26 (e) All piers over fifty-two inches shall be designed by an architect or
27 engineer.

28 (f) Metal or precast support piers shall be installed on a base or footer
29 of a minimum size of four inch by eight inch by sixteen inch solid concrete or

1 other approved material.

2 (g) Metal or precast support piers shall be restricted to a maximum two
3 inch locking mechanical height adjustment and shall be restricted to a
4 maximum height of not more than twenty-four inches measured from the
5 ground base or footer. This twenty-four inch maximum shall not include the two
6 inch mechanical extension or adjustment. However, center line or perimeter
7 supports are permitted to exceed the twenty-four inch maximum.

8 (h) The minimum distance between the finished grade under the
9 manufactured home and the bottom of the I-beam shall be twelve inches.

10 (2) Foundations:

11 (a) Concrete, precast, sand and gravel pads or foundations shall be a
12 minimum of two thousand five hundred pounds per square inch (PSI).

13 (b) Plastic pads or foundations shall be tested in the lower fifty percent
14 of each soil class. (1,000-1,500 PSF soil type).

15 §2177.24. Installation standards for anchors and tie-downs

16 The following specifications are standards set for used manufactured
17 homes when manufacturer's installation instructions and specifications are not
18 available:

19 (1) Anchors:

20 (a) All auger anchors shall be a minimum of thirty inches in height.

21 (b) All anchors shall be tested to an ultimate load of four thousand seven
22 hundred twenty-five pounds.

23 (2) Frame ties:

24 (a) Used units where the manufacturer's specifications are not available
25 shall be anchored every ten feet in Zone I, eight feet in Zone II, and six feet in
26 Zone III, with anchors placed within two feet of each end.

27 (b) Frame ties shall make at least one complete wrap around the chassis
28 or frame and shall be looped from the top of the I-beam to the anchor. However,
29 some frame tie straps may have to extend from the bottom of the I-beam or the

1 I-beam on the opposite side to assure the proper angle due to the height of the
2 home.

3 (c) Each frame tie shall be installed to the component manufacturer's
4 instructions.

5 (d) All frame ties shall be secured to one of the main steel I-beams that
6 run the length of the home.

7 (3) Marriage wall or centerline ridge beam column ties, shear wall ties,
8 and frames ties:

9 (a) Multiple section homes are to be secured at the centerline with straps
10 or cables to the specifications in the manufacturer's manual or at the locations
11 designated on the home.

12 (b) Used multiple section homes shall have anchors installed at all
13 factory-installed anchor strap connections, including ridge beam column straps,
14 shear wall straps or attachments, or other locations designated by the
15 manufacturer.

16 (4) Multiple section homes shall be mechanically fastened every twenty-
17 four inches at the bottom, end walls, and roof. A minimum thirty-gauge, eight-
18 inch-wide, galvanized strip shall be centered over the peak and fastened with
19 galvanized roofing nails at two inches on center at both sides of center line.

20 §2177.25. Installation standards for used manufactured homes in hurricane
21 zones

22 When the manufacturer's printed setup requirements are not available
23 for the applicable wind zone, the following guidelines are to be used:

24 (1) All anchors shall be listed for four thousand seven hundred twenty-
25 five pounds ultimate load.

26 (2) Longitudinal ties only are required at each end of each unit. The
27 minimum number of ties at a minimum angle of forty-five degrees from vertical
28 is three each for Zone II and four each for Zone III.

29 (3) All designated tie points on the perimeter side walls shall be equipped

1 with vertical and diagonal ties with stabilizer devices. When tie points are not
2 designated on the side walls, diagonal ties with stabilizer devices shall be spaced
3 a maximum of ten feet for Zone I, eight feet for Zone II, and six feet six inches
4 for Zone III.

5 (4) Anchors and support piers shall be installed at the center line of each
6 opening over five feet. Support piers shall be installed on each end of the
7 marriage wall and at other locations that may be identified on the marriage
8 wall.

9 (5) Shear wall interior partition wall which attaches to the side wall and
10 is thirty-six inches or longer shall have vertical ties and support piers installed
11 at each end.

12 (6) All foundations and piers shall comply with the requirements of this
13 Part.

14 (7) Multiple section homes shall be mechanically fastened every twenty-
15 four inches at the bottom, end walls, and roof.

16 (8) A minimum thirty gauge, eight inch wide, galvanized strip shall be
17 centered over the peak and fastened with galvanized roofing nails at two inches
18 on center at both sides of center line.

19 §2177.26. Local installation standards preempted

20 The manufactured and modular home installation standards provided
21 for in this Part shall preempt all local installation standards.

22 §2177.27. Licensure of installers and transporters; adoption of rules;
23 compliance with installation instructions; disposition of fees;
24 continuing education; bond

25 A.(1) The residential subcommittee shall, by rule adopted in accordance
26 with the Administrative Procedure Act, provide for the licensure of installers
27 and transporters of manufactured and modular homes and the implementation
28 and collection of an annual license fee and an installation permit sticker fee. The
29 installer's and transporter's license fee shall be one hundred twenty-five dollars

1 per license, and the installation permit sticker fee shall be twenty dollars.

2 Further, a licensed installer shall be allowed to perform the functions of a
3 transporter without having to obtain that license.

4 (2) After January 1, 2004, prior to receiving an original license, installers
5 shall attend a certification course offered by the residential subcommittee or a
6 residential subcommittee-approved provider and pass an accompanying test.
7 The fee for any course offered by the residential subcommittee shall be set by
8 rule and shall not exceed one hundred dollars.

9 (3) Installers shall be required to take one continuing education course
10 per year. The individual required to take the continuing education course is the
11 individual license holder. For corporations, an officer or manager of the
12 corporation shall take the course. For partnerships, a partner shall take the
13 course. The residential subcommittee shall set the educational requirements and
14 approve educational course providers and the course materials for all
15 continuing education classes. The residential subcommittee shall have the
16 authority to suspend these continuing education requirements, for one or more
17 licenses, if the residential subcommittee, in its discretion, determines such action
18 is warranted due to extraordinary circumstances.

19 (4) All installers and transporters shall provide annually along with the
20 license application a surety bond in the amount of twenty-five thousand dollars
21 or post a twenty-five thousand dollar irrevocable letter of credit with the
22 residential subcommittee.

23 B. It shall be unlawful for any person, other than the homeowner or a
24 licensed installer, to perform an installation of a manufactured or modular
25 home, whether or not such person receives compensation for such action. For
26 the purposes of this Subsection, community owners or park operators of
27 manufactured or modular homes shall not be considered homeowners if the
28 home in question is or will be leased at any time.

29 C. Any installer or homeowner installing a manufactured or modular

1 home in this state shall first obtain an installation permit sticker from the
2 residential subcommittee which shall be affixed to the side of the home at the
3 point where electrical power is connected to the home. All installation permit
4 stickers shall be affixed within ten days of delivery of the manufactured or
5 modular home, unless extenuating circumstances are shown.

6 D. Any installation of a manufactured or modular home in this state shall
7 be performed in strict compliance with this Part.

8 E. All fees collected pursuant to Subsection A of this Section or fines
9 collected pursuant to this Part shall be used exclusively for the maintenance and
10 operation of manufactured housing issues by the residential subcommittee.

11 §2177.28. Violations; penalties

12 A. Any installer, transporter, or other person who performs any work
13 covered as described in this Part without the appropriate license or who installs
14 a manufactured or modular home in a manner contrary to the requirements of
15 this Part shall be in violation of the provisions of this Part. All such violators
16 shall be subject to the penalty of revocation or suspension of their license or a
17 civil fine of up to two thousand five hundred dollars, or both, for each violation.
18 If the residential subcommittee determines a violation was intentional or the
19 violation is a habitual offender, then the residential subcommittee may double
20 the civil penalty up to five thousand dollars for each violation. Violators shall
21 also be subject to any measures prescribed by any other applicable rule,
22 regulation, or law.

23 B. Multiple installation violations of this Part occurring in a single
24 installation shall constitute one violation. Each installation performed in
25 violation of this Part shall constitute a separate violation.

26 §2177.29. Administration and enforcement; powers of residential subcommittee

27 The residential subcommittee may adopt, pursuant to the Administrative
28 Procedure Act, such rules and regulations as are necessary for the
29 administration and enforcement of this Part.

1 **§2177.30. Mobile homes not covered**

2 **The provisions of this Part do not apply to the installation and setup of**
3 **mobile homes in Louisiana.**

4 **PART IV. MANUFACTURED HOUSING STATE**

5 **ADMINISTRATIVE AGENCY**

6 **§2177.51. Definitions**

7 **As used in this Part, the following definitions shall apply:**

8 **(1) "Louisiana state plan" means the document which outlines the**
9 **process by which the state administrative agent shall ensure the effective**
10 **handling of consumer complaints and other information that relates to**
11 **noncompliance, defects, or imminent safety hazards, involving manufactured**
12 **housing, together with any responsibility delegated to the state administrative**
13 **agent.**

14 **(2) "State administrative agency" means the board.**

15 **(3) "State administrative agent" or "agent" means the executive director**
16 **of the board.**

17 **§2177.52. Louisiana state administrative agent**

18 **A. The agent is hereby vested with the powers and authority necessary**
19 **and proper to enable the agent to fully and effectively carry out and enforce the**
20 **provisions and objectives of the Louisiana state plan administered on behalf of**
21 **the United States Department of Housing and Urban Development, hereafter**
22 **referred to as "HUD". The agent is hereby authorized and empowered to adopt**
23 **and promulgate all reasonable rules and regulations to accomplish the**
24 **objectives of the Louisiana state plan. The enumeration of any power or**
25 **authority herein shall not be construed to deny, impair, disparage, or limit any**
26 **others necessary to the attainment thereof. All rules and regulations shall be**
27 **adopted in accordance with the provisions of the Administrative Procedure Act.**
28 **Oversight review shall be conducted by the House Committee on Commerce**
29 **and the Senate Committee on Commerce, Consumer Protection and**

1 International Affairs.

2 B. The power and authority of the agent shall include but not be limited
3 to the following:

4 (1) Working with manufactured home consumers, manufacturers,
5 factory-built housing residential contractors, factory-built housing developers,
6 salesmen, and installers to hear consumer complaints and other information
7 that relates to noncompliance, defects, or imminent safety hazards as set forth
8 in 24 CFR Part 3282, Subpart I. The agent or residential subcommittee may
9 make final determinations regarding consumer complaints.

10 (2) The right to enter at a reasonable time and inspect all factories,
11 warehouses, or establishments in the state in which manufactured homes are
12 manufactured.

13 (3) Establishing necessary notification and corrective procedures under
14 24 CFR Part 3282, Subpart I.

15 (4) Providing oversight as prescribed by law of remedial actions carried
16 out by manufacturers and a manufacturer's handling of consumer complaints.

17 (5) Establishing a monitoring inspection fee in accordance with the
18 guidelines established by the secretary of HUD and providing for participation
19 in the federal fee distribution system.

20 §2177.53. Administrative and enforcement of the state plan; powers;
21 applicability

22 A. The agent shall be charged with the adoption, administration, and
23 enforcement of the state plan, pursuant to the federal standards enforcement
24 program and any other rules and regulations necessary for the administration
25 and enforcement of the state plan. The standards adopted shall be in conformity
26 with the standards promulgated pursuant to 24 CFR Part 3280 and 24 CFR
27 Part 3282. The agent shall discharge this duty consistent with the rules and
28 regulations promulgated by HUD.

29 B. The agent may adopt, pursuant to the Administrative Procedure Act,

1 such rules and regulations as are necessary to enforce the standards
2 promulgated under the state plan and any other rules and regulations necessary
3 for the administration and enforcement of the state plan not inconsistent with
4 the provisions of the federal standards enforcement program.

5 C. Except as otherwise provided for in this Part, the provisions of
6 Chapter 13 of Title 49 of the Louisiana Revised Statutes of 1950 shall apply to
7 the administration and enforcement of this Part.

8 * * *

9 Section 2. R.S. 40:1730.23(B) is hereby amended and reenacted to read as follows:

10 §1730.23. Enforcement of building codes by municipalities and parishes

11 * * *

12 B.(1) Nothing in this Part shall conflict with the Federal Department of
13 Housing and Urban Development's regulations regarding manufactured housing
14 construction or the provisions of R.S. ~~51:912.21 et seq.~~ **R.S. 37:2177.21 et seq.**, as
15 it relates to manufactured housing installation. Further, it is the intent of the
16 legislature that any service, renovation, repair, or warranty work performed on a
17 manufactured home shall be handled under the appropriate federal standards
18 governing manufactured housing construction or state standards governing
19 installation, ~~and all such work be under the jurisdiction of the Louisiana~~
20 ~~Manufactured Housing Residential subcommittee. Additionally, the exemption for~~
21 ~~manufactured housing provided for in this Subsection shall extend to and include~~
22 ~~driveways, steps, decks, or other similar accessory structures or work, but shall not~~
23 ~~include any additional living area or other type of heated and cooled space outside~~
24 ~~of the original footprint of the manufactured home.~~

25 (2) All municipalities and parishes shall inspect the installation and setup
26 of manufactured and modular homes under their jurisdiction.

27 (3) All municipalities, parishes, or factory-built housing licensee, shall
28 use a building code enforcement officer, third-party provider, or third-party
29 provider contracted by a jurisdiction, that is certified to conduct inspections

1 using the Federal Department of Housing and Urban Development's
2 construction standards for manufactured homes.

3 (4) If there is a dispute as to the interpretation of the federal or state
4 construction standards, by any code enforcement officer or third-party provider
5 or licensee, the residential subcommittee shall issue a ruling as to the proper
6 interpretation of the consultation with HUD construction standards expert. The
7 residential subcommittee's decision shall be final and binding on all parties.

8 (5) The residential subcommittee shall offer educational classes on the
9 federal HUD code construction and installation standards, to help building code
10 enforcement officers and any other interested parties, achieve certification, as
11 determined by the residential subcommittee.

12 (6) Local governments are allowed to charge a reasonable fee to inspect
13 the installation of the home.

14 (7) All residential subcommittee licenses shall have the right to hire a
15 certified third party provider, to conduct their installation inspections.

16 * * *

17 Section 3. R.S. 51:911.21 through 911.47 and 912 through 912.53 are hereby
18 repealed.

19 Section 4. This Act shall become effective on January 1, 2027.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Senate Legislative Services. The keyword, summary, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

SB 398 Engrossed DIGEST 2026 Regular Session Foil

Present law establishes the Residential Contractors Subcommittee (residential subcommittee), within the State Licensing Board for Contractors (board), consisting of five members. Three members appointed by the governor from a list of names submitted by the La. Homebuilders Association, one member from the 1st congressional district, one member from the 2nd congressional district, one member from the 3rd congressional district, one member representing the 4th and 5th congressional district, and one member representing the 6th congressional district.

Proposed law increases the membership of the residential subcommittee from five members to nine members and provides that the membership shall consist of three members appointed by the governor from a list of names submitted by the La. Homebuilders Association, three

members appointed by the governor from a list of names submitted by the La. Manufactured Housing Association, one member appointed by the governor to represent each congressional district and two at-large members appointed by the governor.

Present law provides relative to manufactured and modular housing and new manufactured ad modular home warranties.

Proposed law redesignates present law provisions from Title 51 of the La. Revised Statutes of 1950 relative to manufactured and modular homes and new manufactured and modular home warranties, to Title 37 of the La Revised Statutes of 1950, relative to the State Licensing Board for Contractors.

Present law provides for terms and definitions.

Proposed law retains present law terms and definitions except changes the term "developer" to "factory-built housing developer", "retailer" to "factory-built housing developer" and "factory-built housing residential contractor" to "factory built housing dealer".

Present law provides relative to the La. Manufactured Housing Commission (commission).

Proposed law removes present law provisions relative to the commission and transfers the commission's powers and duties to the Residential Contractors Subcommittee (residential subcommittee) of the State Licensing Board for Contractors (board).

Present law provides that the provisions of the State Uniform Construction Code shall not conflict with federal HUD standards governing manufactured housing construction or with state law governing manufactured housing installation and that services, renovation, repair, or warranty work performed on manufactured housing are also governed by federal HUD standards under the jurisdiction of commission.

Present law extends the exemption for manufactured housing to related accessory structures, including driveways, steps, desks, and similar work, but excludes additional living areas or other type of heated and cooled spaces outside the original footprint of the manufactured home.

Proposed law retains present law except deletes the reference to services, renovation, repair, or warranty work performed on manufactured housing being under the jurisdiction of the commission and removes the exemption for manufactured housing as it relates to accessories structures.

Proposed law requires municipalities and parishes to inspect the installation and setup of manufactured and modular homes within their jurisdiction.

Proposed law requires inspections to be conducted by a certified building code enforcement officer or certified third-party provider using federal HUD construction standards.

Proposed law requires all disputes regarding interpretation of federal or state construction standards be resolved by the residential subcommittee, whose decision is final and binding.

Proposed law requires the residential subcommittee to offer educational courses on federal HUD construction and installation standards for certification purposes.

Proposed law allows local governments to charge a reasonable inspection fee and permits licensees to hire a certified third-party provider to conduct installation inspections.

Effective January 1, 2027.

(Amends R.S. 37:2150.1 and 2155(A), and R.S. 40:1730.23(B); adds R.S. 37:2176-2176.18,

2177.1-2177.10, 2177.21-2177.30; repeals R.S. 51:911.21-911.47 and 912-912.53)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Commerce, Consumer Protection, and International Affairs to the original bill

1. Establishes mandatory background checks and expands the board's authority to deny a license for cause, lack of business location, or violations of law.
2. Establishes a one-year expiration deadline after which a license is no longer eligible for renewal and requires the applicant to reapply for a new license after the one year expiration deadline.
3. Removes the provision that allows an unlicensed salesman to operate under supervision of a licensed person while the salesmen license application is pending.
4. Increases the required bond from \$50,000 to \$250,000 and adds that the bond requirement is for consumer protection.
5. Increases the required general liability insurance coverage for dealers, developers, transporters, and installers from \$100,000 to \$500,000.
6. Removes the authority of the residential subcommittee to inspect installations of manufactured and modular homes for compliance with state and federal standards.
7. Authorizes the use of an arbitration or mediation process prior to formal hearings and allows the residential subcommittee to defer its authority to third party arbitrators or mediators.
8. Requires out-of-state licensees to appoint a registered agent for service of process.
9. Removes provision authorizing a private right of action and limits venue for all proceedings to the 19th Judicial District Court.
10. Changes references to the terms "residential subcommittee" and "state fire marshal" with the terms "board" and "executive director of the board".
11. Provides for an effective date of January 1, 2027.
12. Makes technical changes.