

SENATE BILL NO. 398

BY SENATOR FOIL

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AN ACT

To amend and reenact R.S. 37:2150.1 and 2155(A) and R.S. 40:1730.23(B) and to enact Part II of Chapter 24 of Title 37 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 37:2176.1 through 2176.19, Part II-A of Chapter 24 of Title 37 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 37:2177.1 through 2177.10, Part III of Chapter 24 of Title 37 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 37:2177.21 through 2177.30, and Part IV of Chapter 24 of Title 37 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 37:2177.51 through 2177.53, and to repeal R.S. 51:911.21 through 911.47 and 912.1 through 912.53, relative to the Uniform Standards Code for Manufactured and Modular Housing; to provide for the Residential Contractors Subcommittee; to provide relative to factory-built housing; to provide for factory-built housing residential contractors and factory-built housing developers; to provide for warranties; to provide for fees and penalties; to establish the Residential Subcommittee Manufactured Housing Dedicated Fund Account and to provide for the deposit, use, and investment of monies in the account; to provide for exemptions; to provide for suspension or violations of license; to provide relative to severability; to provide for notices; to provide relative to minimum standards for installation of manufactured and modular homes; to provide for licensure; to provide for enforcement of building codes by municipalities, parishes, and the fire marshal; to provide for definitions; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 37:2150.1 and 2155(A) are hereby amended and reenacted and Part II of Chapter 24 of Title 37 of the Louisiana Revised Statutes of 1950, comprised of R.S. 37:2176.1 through 2176.19, Part II-A of Chapter 24 of Title 37 of the Louisiana Revised

1 Statutes of 1950, comprised of R.S. 37:2177.1 through 2177.10, Part III of Chapter 24 of
2 Title 37 of the Louisiana Revised Statutes of 1950, comprised of R.S. 37:2177.21 through
3 2177.30, and Part IV of Chapter 24 of Title 37 of the Louisiana Revised Statutes of 1950,
4 comprised of R.S. 37:2177.51 through 2177.53, are hereby enacted to read as follows:

5 §2150.1. Definitions

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

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

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

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

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

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

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

30 (iii) Any improvements or repairs to an existing residential structure for

1 which the project value is seven thousand five hundred dollars or more.

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

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

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

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

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

19 (6) "Electrical contractor" means any person who undertakes to, attempts to,
20 or submits a price or bid or offers to construct, supervise, superintend, oversee,
21 direct, perform, or in any manner assume charge of the construction, alteration,
22 repair, improvement, movement, demolition, putting up, tearing down, or furnishing
23 labor together with material and equipment, or installing the same for the wiring,
24 fixtures, or appliances for the supply of electricity to any residential, commercial, or
25 other project, for which the project value is ten thousand dollars or more. This
26 Paragraph is not deemed or construed to limit the authority of a contractor, general
27 contractor, or residential contractor, as those terms are defined in this Section, nor
28 to require such individuals to become an electrical contractor.

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

1 form.

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

6 **(9) "Extraordinary circumstances" means a federally declared disaster,**
7 **a gubernatorially declared disaster or emergency, a pandemic, or an illness or**
8 **emergency medical condition.**

9 **(10)(a) "Factory-built housing developer" means any person, group of**
10 **persons, firm, partnership, corporation, association, company, or legal entity**
11 **that sells, leases, or offers for sale or lease to the public, a lot together with the**
12 **sale of a manufactured home permanently installed and fixed on a foundation**
13 **on the lot and designed as a single-family residence.**

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

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

17 **(ii) A real estate broker or real estate salesman retained by a person to**
18 **sell a manufactured home together with a lot on which the manufactured home**
19 **has been installed and fixed on a foundation.**

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

21 **(11) "Factory-built housing dealer" means any person who is engaged,**
22 **wholly or in part, in the business of buying, selling, distributing, brokering, or**
23 **exchanging an interest in a manufactured or modular home with the intent to**
24 **make a profit, monetary gain, or any thing of economic value. Any person who**
25 **buys, sells, distributes, brokers, or exchanges an interest in more than one such**
26 **manufactured or modular home in any twelve-month period shall be presumed**
27 **to be a factory-built housing dealer. "Factory-built housing dealer" does not**
28 **include any of the following:**

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

30 **(b) A receiver, trustee, administrator, executor, guardian, or any other**

1 person appointed by or acting pursuant to a judgment or order of any court.

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

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

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

14 (ii) Notwithstanding Item (e)(i) of this Subparagraph, a manufactured
15 housing community or park owner may sell more than three used manufactured
16 homes in any twelve-month period if any used manufactured home sold after
17 the original three used manufactured homes meets the following:

18 (aa) Twenty years old or older at the time of sale.

19 (bb) Sold for a total sale price of ten thousand dollars or less, including
20 delivery and installation.

21 (cc) Habitable upon completion of delivery and installation.

22 (dd) Sold with a thirty-day habitability warranty.

23 ~~(9)(12)~~(a) "General contractor" means a person who contracts directly with
24 the owner. The term "general contractor" includes the term "primary contractor" and
25 wherever used in this Chapter or in regulations promulgated thereunder "primary
26 contractor" means "general contractor".

27 (b) "General contractor" does not mean any person, supplier, manufacturer,
28 or employee of such person who assembles, repairs, maintains, moves, puts up, tears
29 down, or disassembles any patented or proprietary equipment supplied by such
30 person to a contractor to be used solely by the contractor for a construction

1 undertaking.

2 ~~(10)~~**(13)** "Home improvement" means the reconstruction, alteration,
3 renovation, repair, modernization, conversion, improvement, removal, or demolition,
4 or the construction of an addition to any preexisting residential structure which
5 building is used or designed to be used as a residence or dwelling unit, or to
6 structures which are adjacent to such residence or building for which the project
7 value is seven thousand five hundred dollars or more. "Home improvement" does not
8 include services rendered gratuitously.

9 ~~(11)~~**(14)** "Home improvement contractor" means any person who undertakes
10 or attempts to undertake or submits a price or bid or offers to construct, supervise,
11 superintend, oversee, direct, perform, or in any manner assume charge of a home
12 improvement project for which the project value is at least seven thousand five
13 hundred dollars but less than fifty thousand dollars. A home improvement contractor
14 shall not perform any structural work that is integral to the structural integrity of any
15 new or existing structure, including but not limited to footings, foundations, outside
16 walls, skeleton, bearing columns and interior load bearing walls, floor slabs, or
17 roofing systems to any type.

18 ~~(12)~~**(15)** "License" means any form of license or registration the board is
19 authorized to issue in accordance with this Chapter.

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

29 **(17)"Manufactured housing code" means the National Manufactured**
30 **Home Construction and Safety Standards Act of 1974, 42 U.S.C. 5401 et seq.,**

1 as amended, and federal regulations promulgated pursuant thereto, along with
2 any construction or installation-related standards adopted by the residential
3 subcommittee of the State Licensing Board for Contractors.

4 (18) "Manufacturer" means any person who manufactures
5 manufactured or modular housing.

6 ~~(13)~~(19) "Mechanical contractor" means any person who undertakes to,
7 attempts to, or submits a price or bid or offers to construct, supervise, superintend,
8 oversee, direct, perform, or in any manner assume charge of the construction,
9 alteration, repair, improvement, movement, demolition, putting up, tearing down, or
10 furnishing labor, or furnishing labor together with material and equipment, or
11 installing the same for the construction, installation, maintenance, testing, and repair
12 of air conditioning, refrigeration, heating systems, and plumbing for all residential,
13 commercial, and industrial applications as well as ventilation systems, mechanical
14 work controls, boilers and other pressure vessels, steam and hot water systems and
15 piping, gas piping and fuel storage, and chilled water and condensing water systems
16 and piping, including but not limited to any type of industrial process piping and
17 related valves, fittings, and components, for which the project value is ten thousand
18 dollars or more. This Paragraph is not deemed or construed to limit the authority of
19 a contractor, general contractor, or residential contractor, as those terms are defined
20 in this Section, nor to require such individuals to become a mechanical contractor.

21 (20) "Mobile home" means a factory-built, residential dwelling unit built
22 to voluntary standards prior to the passage of the National Manufactured
23 Housing Construction and Safety Standards Act of 1974, 42 U.S.C. 5401 et seq.
24 "Mobile home" includes and is interchangeable with the term "house trailer",
25 but does not include the term "manufactured home".

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

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

1 ~~(14)~~**(23)** "Mold remediation contractor" means any person who engages in
2 removal, cleaning, sanitizing, demolition, or other treatment, including preventative
3 activities, of mold or mold-contaminated matter that was not purposely grown at that
4 location for which the project value is seven thousand five hundred dollars or more.
5 Mold remediation applies only to the regulation of mold-related activities that affect
6 indoor air quality and does not apply to routine cleaning when not conducted for the
7 purpose of mold-related activities intended to affect indoor air quality.

8 ~~(15)~~**(24)** "Person" means any individual, firm, partnership, association,
9 cooperative, corporation, limited liability company, limited liability partnership, or
10 any other entity recognized by Louisiana law; and whether or not acting as a
11 principal, trustee, fiduciary, receiver, or as any other kind of legal or personal
12 representative, or as a successor in interest, assignee, agent, factor, servant,
13 employee, director, officer, or any other representative of such person; or any state
14 or local governing authority or political subdivision.

15 ~~(16)~~**(25)** "Plumbing contractor" means any person who installs, maintains,
16 and repairs potable and nonpotable tap water or sewer systems within a building
17 structure or residential structure for which the project value is ten thousand dollars
18 or more.

19 ~~(17)~~**(26)** "Principal" means an owner, shareholder, or an officer or director
20 of a corporation; a member or manager of a limited liability company; a general
21 partner of a partnership; a sole proprietor; a trustee; or a full-time employee with
22 similar operational control or significant influence with respect to any person as
23 determined by the board.

24 ~~(18)~~**(27)** "Qualifying party" means a natural person designated by the
25 contractor to represent the contractor for the purpose of complying with the
26 provisions of this Chapter including but not limited to meeting the requirements for
27 the initial license and any continuation thereof.

28 ~~(19)~~**(28)**(a) "Residential contractor" means any person who constructs a fixed
29 building or structure for sale or use by another as a residence or who, for a price,
30 commission, fee, wage, or other compensation, undertakes or offers to undertake the

1 construction or superintending of the construction of any residential structure which
2 is not more than three floors in height, to be used by another as a residence, for
3 which the project value is fifty thousand dollars or more. The term "residential
4 contractor" includes all persons who receive an additional fee for the employment
5 or direction of labor, or any other work beyond the normal architectural or
6 engineering services.

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

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

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

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

18 ~~(20)~~**(29)** "Residential roofing" means the construction, alteration, repair,
19 improvement, demolition, putting up, tearing down, furnishing labor, or furnishing
20 labor together with materials or equipment, or the installation of materials or
21 equipment for any phase of roofing specific to a residential structure for which the
22 project value is seven thousand five hundred dollars or more.

23 ~~(21)~~**(30)** "Residential roofing contractor" means any person who undertakes
24 to, attempts to, or submits a price or bid, or offers to construct, supervise,
25 superintend, oversee, direct, perform, or in any manner assume charge of a
26 residential roofing project for which the project value is seven thousand five hundred
27 dollars or more.

28 ~~(22)~~**(31)** "Residential structure" means a building or structure that is used
29 primarily for occupancy by a person as a residence. Such structures or buildings
30 include but are not limited to single family dwellings and duplexes which are not

1 more than three floors in height and structures that are part of or adjacent to the
2 building or structures to be used as a residence. A residential structure more than
3 three floors in height may be built by a person holding a building construction and
4 residential construction license.

5 **(32) "Residential subcommittee" means the Residential Contractors**
6 **Subcommittee of the State Licensing Board for Contractors.**

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

10 **(34) "Seal" or "label" means the permanently affixed device or insignia**
11 **issued by the United States Department of Housing and Urban Development**
12 **(HUD) or other authority having jurisdiction that is displayed on the exterior**
13 **of a factory-built manufactured or modular home, certifying that the home is**
14 **in compliance with the manufactured housing code or the modular housing**
15 **code.**

16 ~~(23)~~**(35)** "Subcontract" means an agreement to perform a portion of the scope
17 of work contained in the principal contract including the entire cost of labor and
18 materials of that part of the principal contract which is performed by the
19 subcontractor.

20 ~~(24)~~**(36)**(a) "Subcontractor" means a person who contracts to perform a scope
21 of work that is a part of the scope of work contained in the principal contract.

22 (b) "Subcontractor" does not include any person, supplier, or manufacturer
23 who assembles, repairs, maintains, moves, puts up, tears down, or disassembles any
24 patented or proprietary equipment supplied by such person to a contractor to be used
25 solely by the contractor for a construction undertaking.

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

30 * * *

1 §2155. Residential Contractors Subcommittee; membership; terms; powers; duties

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

21 * * *

22 PART II. FACTORY-BUILT HOUSING

23 §2176.1. Short title

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

26 §2176.2. Establishment of uniform standards codes

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

1 §2176.3. License required; qualifications; application; issuance; transfer;
2 criminal history record information; bond

3 A.(1) A manufacturer, factory-built housing dealer, or salesman within
4 or without this state shall not sell or offer for sale in this state any mobile home,
5 modular home, or manufactured housing unless he has obtained a valid
6 manufacturer's, factory-built housing dealer's, or salesman's license, whichever
7 is applicable, from the residential subcommittee as provided in this Part.

8 (2) A factory-built housing developer shall not sell or offer for sale to the
9 public any manufactured or modular home unless he has obtained a license
10 from the residential subcommittee, as provided in this Part. An employee of a
11 factory-built housing developer shall not offer manufactured or modular
12 housing for sale to the general public without first obtaining a salesman license
13 or being a licensed real estate agent.

14 (3) A manufacturer, within or without this state, shall not sell, or offer
15 for sale to a person, any manufactured or modular housing for resale to the
16 public unless the person has obtained a valid factory-built housing dealer's or
17 factory-built housing developer's license from the residential subcommittee as
18 provided in this Part.

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

21 (5) The residential subcommittee may, by rule and regulation
22 promulgated in accordance with the Administrative Procedure Act, provide for
23 staggered renewal and collection of the annual license fees imposed pursuant to
24 R.S. 37:2176.6.

25 (6) A factory-built housing dealer or factory-built housing developer
26 shall not offer for sale to the public any new manufactured or modular home
27 unless the manufacturer of the home has obtained a valid manufacturer's
28 license.

29 B. Application for a manufacturer's license shall be made upon the form
30 prescribed by the residential subcommittee and shall contain all of the

1 **following:**

2 **(1) The name and address of the applicant.**

3 **(2) The name and address of each partner if the applicant is a**
4 **partnership.**

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

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

8 **(5) Any other reasonable information as may be required by the**
9 **residential subcommittee.**

10 **C.(1) A factory-built housing dealer's, factory-built housing developer's,**
11 **or salesman's license shall not be issued to any person who has not attained the**
12 **age of eighteen years.**

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

16 **(3) Each retailer and developer shall be required to have at least one**
17 **licensed salesman.**

18 **D. Every application for license shall be verified by the oath or**
19 **affirmation of the applicant if an individual or if the applicant is a partnership**
20 **or corporation, by a partner or officer of the partnership or corporation. The**
21 **applications for licenses shall be in the form and detail as prescribed by the**
22 **residential subcommittee.**

23 **E.(1) The applicant, each principal, and each designated qualifying party**
24 **shall complete an application and pass a background investigation. An applicant**
25 **shall provide all information or documentation requested by the board,**
26 **including but not limited to documentation relative to identification, criminal**
27 **history, and financial history. The board may deny approval of the applicant,**
28 **any of its principals, or any qualifying party for cause. The background**
29 **investigation shall be conducted in relation to all of the following:**

30 **(a) Fiduciary or monetary matters including but not limited to any**

1 bankruptcy, judgment, insolvency, or lien.

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

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

6 (a) For cause.

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

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

11 F.(1) Any manufacturer or factory-built housing dealer before removing
12 any one or more of his places of business or opening any additional place of
13 business shall apply to the residential subcommittee and obtain a separate
14 license for each place of business to which he intends to move and for each
15 additional place of business and pay the applicable fee, as provided in this Part,
16 for each place of business to which he moves and for each additional place of
17 business.

18 (2) A licensed salesman transferring employment from one factory-built
19 housing residential contractor to another factory-built housing dealer shall
20 apply to the residential subcommittee for a transfer of his salesman's license
21 within fifteen days after the date of his transfer of employment and shall pay the
22 applicable fee as provided in this Part. The application for transfer shall be in
23 a form prescribed by the residential subcommittee.

24 G.(1) Except as provided for in Paragraph (2) of this Subsection,
25 beginning January 1, 1983, every license issued pursuant to this Part shall be
26 issued annually and shall expire on December thirty-first following the date
27 upon which it was issued. Each license issued shall be renewed annually, and
28 failure to apply for a renewal license by January first of the ensuing license
29 period shall automatically suspend the license until a renewal license is applied
30 for. During the period of suspension, any practice by the licensee under the

1 color of such license shall be deemed a violation of this Part. Applications made
2 during the period of suspension shall require the payment of a fee equal to twice
3 the amount of the license renewal fee as set forth in R.S. 37:2176.6. If a license
4 is not renewed within a period of one year from the date of its expiration, it is
5 no longer eligible for renewal. An application for a new license may be
6 submitted and upon approval, a new license shall be issued. Renewal of a
7 factory-built housing dealer license shall require each factory-built housing
8 dealer to certify that he has maintained a record of providing satisfactory
9 service to consumers.

10 (2) Beginning January 1, 2020, the residential subcommittee may, by rule
11 and regulation promulgated in accordance with the Administrative Procedure
12 Act, provide for staggered renewal and collection of the annual license fees
13 imposed pursuant to R.S. 37:2176.6. Any rule and regulation promulgated
14 pursuant to the provisions of this Paragraph providing for the staggered
15 issuance and renewal of a license shall require that the license be renewed
16 twelve months after issuance annually, and failure to apply for the renewal
17 license shall automatically suspend the license until a renewal license is applied
18 for. During the period of suspension any practice by the licensee under the color
19 of such license shall be deemed a violation of this Part. Applications made
20 during the period of suspension shall require the payment of a fee equal to twice
21 the amount of the license renewal fee as set forth in R.S. 37:2176.6. If a license
22 is not renewed within a period of one year from the date of its expiration, it is
23 no longer eligible for renewal. An application for a new license may be
24 submitted and upon approval, a new license shall be issued. Renewal of a
25 factory-built housing dealer's license shall require the factory-built housing
26 dealer to certify that he has maintained a record of providing satisfactory
27 service to consumers.

28 H.(1) The residential subcommittee may request and obtain from the
29 Department of Public Safety and Corrections, Bureau of Criminal Identification
30 and Information, hereinafter referred to as the "bureau", criminal history

1 record information as defined in R.S. 37:763.1 of any person applying for any
2 license that the residential subcommittee is authorized by law to issue and shall
3 pay a fee as specified in R.S. 15:587.

4 (2) The applicant shall submit fingerprints and other identifying
5 information to the residential subcommittee, which shall then submit that
6 information to the bureau, and the bureau shall, upon request of the residential
7 subcommittee and after receipt of the fingerprint card and other identifying
8 information from the residential subcommittee, make available to the
9 residential subcommittee all arrest and conviction information contained in the
10 bureau's criminal history record and identification files pertaining to the
11 applicant.

12 (3) The residential subcommittee may charge and collect from an
13 applicant for any license which the board is authorized to issue, in addition to
14 all other applicable fees and costs, the amount incurred by the residential
15 subcommittee in requesting and obtaining criminal history record information
16 of that applicant.

17 I.(1) All factory-built housing dealers and factory-built housing
18 developers shall annually take a residential subcommittee-approved continuing
19 education course. The individual required to take the continuing education
20 course is the individual license holder; for corporations, an officer or manager;
21 for partnerships, a partner or manager. The residential subcommittee shall set
22 the educational requirements pursuant to R.S. 37:2155(G)(3).

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

28 (3) Any person applying for an original factory-built housing dealer's
29 license or an original factory-built housing developer's license after January 1,
30 2004, shall take a class and pass an accompanying test prior to receiving his

1 original license. The residential subcommittee shall develop the class and test.
 2 The fee for the factory-built housing dealer and factory-built housing developer
 3 class and test shall be set by rule and shall not exceed one hundred dollars.

4 J. The residential subcommittee shall require that factory-built housing
 5 dealers, residential contractors, factory-built housing developers, transporters,
 6 and installers show proof of continued and ongoing general liability insurance
 7 coverage of at least five hundred thousand dollars. Manufacturers shall be
 8 required to show proof of continued and ongoing liability insurance coverage
 9 of at least one million dollars.

10 §2176.4. Manufactured home factory-built housing dealers manufacturer
 11 relationship; warranty work; requirements upon termination;
 12 penalty; indemnity

13 A.(1) If a factory-built housing dealer ceases to do business with a
 14 manufacturer due to any of the following: the manufacturer refuses to honor
 15 an agreed-upon sales territory; the manufacturer refuses to pay warranty
 16 claims within sixty days or perform major warranty work beyond the scope
 17 expected of a factory-built housing dealer within sixty days; or the
 18 manufacturer can no longer deliver the product requested by the factory-built
 19 housing dealer in a reasonable and timely manner, then after notice thereof to
 20 the manufacturer by registered or certified mail return receipt requested within
 21 thirty days thereafter, the manufacturer, at a minimum, shall repurchase all
 22 new and unused manufactured homes of the current or immediately prior
 23 model year and parts on hand that have not been damaged or substantially
 24 altered to the prejudice of the manufacturer while in the possession of the
 25 factory-built housing dealer and all required demonstrators.

26 (2) The manufacturer shall make the required repurchase after the
 27 factory-built housing dealer terminates his franchise, sales, or any other
 28 contractual agreement, and within sixty days of the submission by the factory-
 29 built housing dealer to the manufacturer, by registered or certified mail return
 30 receipt requested, of a final inventory of manufactured homes and parts on

1 hand.

2 (3) Failure to make the repurchase without just cause shall subject the
3 manufacturer to a penalty of one and one-half percent per month, or a fraction
4 thereof, of the inventory value of returnable manufactured homes and parts,
5 payable to the factory-built housing dealer, until repurchase is made.

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

13 C. Notwithstanding the terms of any franchise, sales, or other
14 contractual agreement, each manufacturer shall indemnify and hold harmless
15 its factory-built housing dealer against any judgment for damages, including
16 but not limited to court costs and reasonable attorney fees of the factory-built
17 housing dealer, arising out of complaints, claims, or lawsuits including but not
18 limited to strict liability, negligence, misrepresentation, express or implied
19 warranty, or rescission of sale to the extent that the judgment arises out of
20 alleged defective or negligent manufacture, assembly, or design of
21 manufactured homes, parts, or accessories or other functions of the
22 manufacturer, which are beyond the control of the factory-built housing dealer.

23 D. Prior to making a change in an area of responsibility described in the
24 franchise, sales, or any other contractual agreement or sales and service
25 agreement with a factory-built housing dealer, the franchisor or manufacturer
26 shall give the factory-built housing dealer no less than sixty days prior written
27 notice, by certified or registered mail.

28 §2176.5. Residential subcommittee

29 A. The powers and duties of the residential subcommittee include but are
30 not limited to the following:

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

4 **(2) Working with consumers, manufacturers, factory-built housing**
5 **dealers, factory-built housing developers, salesmen, transporters, and installers**
6 **to hear complaints and make determinations relating to construction defects,**
7 **warranty issues, service complaints, and other matters which are not set forth**
8 **pursuant to 24 CFR Parts 3280 and 3282. The residential subcommittee may,**
9 **prior to convening a formal hearing, establish a date for mediation and in its**
10 **discretion, the residential subcommittee may defer its authority to conduct a**
11 **hearing and render a determination to an independent third-party mediator to**
12 **hear and resolve complaints brought before the residential subcommittee. If the**
13 **complaint is not resolved through mediation, the residential subcommittee may**
14 **appoint a three-member panel to conduct an initial review of the complaint. All**
15 **costs associated with such mediation shall be borne by the board.**

16 **(3) Establishing an alternative dispute resolution process for**
17 **manufactured and modular home consumers in this state. The residential**
18 **subcommittee may charge a reasonable fee to defray the cost of establishing the**
19 **alternative dispute resolution process.**

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

23 **(5) Issuing cease and desist orders, and subpoenaing individuals and**
24 **records as it deems necessary.**

25 **(6) Taking action against any person or licensee that violates this Part or**
26 **Part II-A of this Chapter.**

27 **(7) Reviewing and approving continuing education course work,**
28 **required pursuant to this Part or Part II-A of this Chapter, offered in another**
29 **state, if that other state allows for reciprocity of Louisiana continuing education**
30 **course work.**

1 (8) Establishing a mandatory uniform written transportation and
 2 installation contract that is required to be used by all transporters and installers
 3 when moving or installing a manufactured or modular home in this state.
 4 Transporters and installers are required to give their customers a copy of the
 5 contract, itemizing all services being provided and the cost associated with those
 6 services, prior to beginning work or moving a home. These records shall be
 7 maintained for at least three years and shall be made available to the residential
 8 subcommittee for inspection. Transporters who are only passing through the
 9 state, or are delivering a home from a manufacturer to a licensee of the
 10 residential subcommittee, are not required to comply with the provisions of this
 11 Paragraph. The residential subcommittee may adopt rules in accordance with
 12 the Administrative Procedure Act as are necessary to implement the provisions
 13 of this Paragraph.

14 (9) Adopting rules governing the repairs or renovations of manufactured
 15 homes.

16 (10) Conducting meetings by remote access.

17 B. All expenses incurred by the residential subcommittee in carrying out
 18 the provisions of this Part shall be proper charges against the Residential
 19 Subcommittee Manufactured Housing Dedicated Fund Account.

20 §2176.6. Fees; disposition; creation of a dedicated fund account

21 A. The residential subcommittee shall impose and collect the following
 22 schedule of fees:

23 <u>(1) Original manufacturer's license</u>	<u>\$250.00</u>
24 <u>(2) Manufacturer's renewal license</u>	<u>\$250.00</u>
25 <u>(3) Original retailer's license</u>	<u>\$150.00</u>
26 <u>(4) Factory-built housing dealer's renewal license</u>	<u>\$150.00</u>
27 <u>(5) Original salesman's license</u>	<u>\$50.00</u>
28 <u>(6) Salesman's renewal license</u>	<u>\$50.00</u>
29 <u>(7) Transfer of salesman's license</u>	<u>\$5.00</u>
30 <u>(8) Factory-built housing dealer's branch office license</u>	<u>\$75.00</u>

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

2 **B.(1) There is hereby established in the state treasury, as a dedicated**
 3 **fund account, the Residential Subcommittee Manufactured Housing Dedicated**
 4 **Fund Account, hereinafter referred to in this Section as the "account".**

5 **(2) After allocation of money to the Bond Security and Redemption Fund**
 6 **as provided in Article VII, Section (9)(B) of the Constitution of Louisiana, the**
 7 **state treasurer shall deposit into the account all fines or fees collected pursuant**
 8 **to the provisions of this Part, Part II-A, and Part III of this Chapter. Monies**
 9 **deposited into the account shall be categorized as fees and self-generated**
 10 **revenues related to the executive budget and its supporting documents and any**
 11 **appropriation bills.**

12 **(3) Monies in the account shall be appropriated to the office of the**
 13 **governor for the activities of the residential subcommittee in implementing and**
 14 **enforcing the manufactured housing provisions of this Part, Part II-A, and Part**
 15 **III of this Chapter.**

16 **(4) Monies in the account shall be invested in the same manner as monies**
 17 **in the state general fund. Interest earned on investment of monies in the account**
 18 **shall be credited to the account. Unexpended and unencumbered monies in the**
 19 **account at the end of the fiscal year shall remain in the account.**

20 **§2176.7. Motor vehicle inspection; exception**

21 **The provisions of Chapter 7 of Title 32 of the Louisiana Revised Statutes**
 22 **of 1950, relative to inspections do not apply to manufactured or modular**
 23 **housing.**

24 **§2176.8. Serial numbers on manufactured and modular homes**

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

1 **§2176.9. Administration and enforcement; powers of residential subcommittee;**
2 **cease and desist orders; applicability of Administrative**
3 **Procedure Act**

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

9 **(2) The residential subcommittee may adopt, pursuant to the**
10 **Administrative Procedure Act, such rules and regulations as are necessary to**
11 **enforce the standards promulgated pursuant to this Section and any other rules**
12 **and regulations necessary for the administration and enforcement of this Part.**

13 **(3) For the performance of duties required pursuant to the provisions of**
14 **this Part, including but not limited to the inspections necessary to administer**
15 **and enforce the standards, rules, or regulations adopted pursuant to this**
16 **Subsection, the residential subcommittee may adopt fees by rule promulgation**
17 **for services performed in conducting the inspections.**

18 **B. The board may contract for professional services and may hire**
19 **employees as it deems necessary for the performance of its functions required**
20 **or authorized by the provisions of this Part, to the extent that funds are**
21 **available therefor.**

22 **C. Except as otherwise provided in this Part, the provisions of Chapter**
23 **13 of Title 49 of the Louisiana Revised Statutes of 1950 apply to the**
24 **administration and enforcement of this Part.**

25 **D. The residential subcommittee or its authorized representatives may**
26 **enter any place, establishment, or location where manufactured or modular**
27 **homes are manufactured, sold, offered for sale, transported, or installed for the**
28 **purpose of ascertaining whether the requirements of the manufactured housing**
29 **code or the modular housing code and of this Part and Part II-A of this**
30 **Chapter, and the rules and regulations of the residential subcommittee, have**

1 been or are being complied with.

2 §2176.10. Agent for service of process

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

8 §2176.11. Suit by residential subcommittee for violations; venue; relief
9 obtainable

10 A. If it appears that a person is violating or is attempting to violate the
11 manufactured housing code, the modular housing code, or a provision of this
12 Part, Part II-A of this Chapter, or any rule or regulation adopted and
13 promulgated by the residential subcommittee in accordance with the
14 Administrative Procedure Act, the residential subcommittee shall bring suit to
15 restrain that person from continuing the violation or from carrying out the
16 threat.

17 B. Venue for a suit pursuant to this Section lies in the Nineteenth Judicial
18 District Court.

19 C. In the suit, the residential subcommittee may obtain injunctions,
20 prohibitory and mandatory, including temporary restraining orders and
21 preliminary injunctions, as the facts warrant, including, when appropriate,
22 injunctions restraining a person from moving or disposing of a manufactured
23 home that is subject to the requirements of this Part, Part II-A of this Chapter,
24 or any rule or regulation adopted and promulgated by the residential
25 subcommittee in accordance with the Administrative Procedure Act, or to
26 restrain a person from engaging in any business for which a license has been or
27 should be issued pursuant to this Part or Part II-A of this Chapter. Any such
28 manufactured home may, in the court's discretion, be ordered impounded or
29 placed under the control of an agent appointed by the court.

30 D. All costs incurred by the residential subcommittee, including

1 reasonable attorney fees, may be borne by the person or licensee who has been
 2 enjoined, or found in violation of the provisions of the manufactured housing
 3 code, the modular housing code, or any provision of this Part, or Part II-A of
 4 this Chapter, or any rule or regulation adopted and promulgated by the
 5 residential subcommittee in accordance with the Administrative Procedure Act.
 6 **§2176.12. Hearings to investigate and determine violations; orders prohibiting**
 7 **violations and requiring compliance**

8 **A. If in the opinion of the residential subcommittee the manufactured**
 9 **housing code, the modular housing code, or the requirements of this Part or**
 10 **Part II-A of this Chapter is being violated, it may conduct hearings to**
 11 **investigate and determine whether the violation has occurred or is occurring**
 12 **and may issue orders prohibiting such violation and requiring compliance with**
 13 **the manufactured housing code or the modular housing code and the provisions**
 14 **of this Part or Part II-A of this Chapter.**

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

21 **§2176.13. Suspension or revocation of licenses for violation**

22 **After prior notice and hearing, the residential subcommittee may**
 23 **suspend or revoke the license of any manufactured or modular home licensee**
 24 **licensed pursuant to the provisions of this Part or Part II-A of this Chapter for**
 25 **violations of the manufactured housing code, the modular housing code, or any**
 26 **provision of this Part or Part II-A of this Chapter. The notice, hearing, and**
 27 **actions as prescribed in this Section shall be governed by the provisions of**
 28 **Chapter 13 of Title 49 of the Louisiana Revised Statutes of 1950, and**
 29 **particularly R.S. 49:977.3(C) relative to emergency action.**

30 **§2176.14. Penalties for violations**

1 A. Whoever is found guilty of violating the manufactured housing code,
2 the modular housing code, any provision of this Part, Part II-A of this Chapter,
3 any rule or regulation, or final order issued thereunder is liable to the state
4 through the residential subcommittee for a civil penalty not in excess of two
5 thousand five hundred dollars for each violation. If the residential
6 subcommittee determines a violation was intentional or the violator is a habitual
7 offender, the residential subcommittee may double the civil penalty up to five
8 thousand dollars for each violation. Each violation constitutes a separate
9 violation with respect to each manufactured or modular home, or with respect
10 to each failure or refusal to allow or perform an act required thereby, except
11 that the maximum civil penalty shall not exceed one million dollars for any
12 related series of violations occurring within one year from the date of the first
13 violation.

14 B. Any individual or director, officer, or agent of a corporation who
15 knowingly and willingly violates any provision of the manufactured housing
16 code, the modular housing code, any provision of this Part, Part II-A of this
17 Chapter, or any applicable rule or regulation issued pursuant to those codes or
18 those Parts in a manner which threatens the health and safety of any purchaser
19 shall be fined not more than one thousand dollars or imprisoned not more than
20 six months, or both.

21 §2176.15. Maintenance of records; reports required

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

1 has acted or is acting in compliance with the provisions of this Part, Part II-A
2 of this Chapter, or any rule, as well as any regulation or order issued
3 thereunder.

4 §2176.16. Down payments; sale of manufactured housing

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

16 §2176.17. Use of model manufactured and modular homes

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

25 B. The licensed factory-built housing dealer or factory-built housing
26 developer shall also adhere to all of the following requirements:

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

29 (2) The manufactured or modular home shall be properly installed in
30 accordance with applicable federal and state statutes, rules, regulations, and

1 codes.

2 §2176.18. Severability

3 If any provision of this Part or the application of any provision of this
4 Part is held invalid, that invalidity shall not affect other provisions, items, or
5 applications of this Part that may be given effect without the invalid provision,
6 item, or application and to this end the provisions of this Part are severable.

7 §2176.19. Supremacy of the Part

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

14 PART II-A NEW MANUFACTURED AND MODULAR

15 HOME WARRANTIES

16 §2177.1. Purpose

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

29 §2177.2. Short title

30 This Part shall be known and may be cited as the "New Manufactured

1 and Modular Home Warranty Act".

2 §2177.3. Definitions

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

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

12 (2)(a) "Building standards" for manufactured housing means the
13 National Manufactured Home Construction and Safety Standards Act of 1974,
14 42 U.S.C. 5401 et seq., as amended, and federal regulations promulgated
15 pursuant to those provisions, along with any construction or installation-related
16 standards adopted by the Louisiana Manufactured Housing Commission or its
17 successor the residential subcommittee, together with any additional
18 performance standards, if any, which the builder may undertake to be in
19 compliance.

20 (b) "Building standards" for modular housing means the International
21 Residential Code as adopted by the Louisiana State Uniform Construction Code
22 Council.

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

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

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

1 (a) Foundation systems and footings.

2 (b) Beams.

3 (c) Girders.

4 (d) Lintels.

5 (e) Columns.

6 (f) Walls and partitions.

7 (g) Floor systems.

8 (h) Roof framing systems.

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

12 (7) "Warranty commencement date" means the date that legal title to a
13 home is conveyed to its initial purchaser or the date the home is first occupied,
14 whichever occurs first.

15 §2177.4. Warranties; exclusions

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

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

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

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

1 **B. Unless the parties otherwise agree in writing, the builder's warranty**
2 **shall exclude all of the following items:**

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

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

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

12 **(4) Any damage to the extent it is caused or made worse by any of the**
13 **following:**

14 **(a) Negligence, improper maintenance, neglect, or improper operation**
15 **by anyone other than the builder or any employee, agent, or subcontractor of**
16 **the builder.**

17 **(b) Failure by anyone other than the builder or any employee, agent, or**
18 **subcontractor of the builder to comply with the warranty requirements of**
19 **manufacturers of appliances, equipment, or fixtures. This includes the owner**
20 **or any occupant of the home prohibiting the builder or any employee, agent, or**
21 **subcontractor of the builder from making timely repairs as required under law**
22 **and warranty.**

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

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

30 **(e) Any change, alteration, or addition made to the home by anyone after**

1 the initial occupancy by the owner, except any change, alteration, or addition
2 performed by the builder or any employee, agent, or subcontractor of the
3 builder.

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

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

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

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

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

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

20 (10) Any damage caused by soil movement which is covered by other
21 insurance.

22 (11) Insect damage.

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

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

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

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

30 (16) Any defect not reported in writing by registered or certified mail to

1 the residential subcommittee or insurance company, as appropriate, prior to the
 2 expiration of the period specified in Subsection A of this Section for such defect
 3 plus thirty days.

4 (17) Consequential damages.

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

9 (19) Mold and mold damage.

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

14 §2177.5. Required notice

15 A. Before undertaking any repair himself or instituting any action for
 16 breach of warranty, the owner shall give the residential subcommittee written
 17 notice on each individual home that is defective by filling out the consumer
 18 complaint form provided by the residential subcommittee and submitting it by
 19 registered or certified mail within one year after knowledge of the defect,
 20 advising the residential subcommittee of all defects in the individual home. The
 21 residential subcommittee shall then have the individual home inspected and a
 22 determination made on all defects listed by the owner. Thereafter, the
 23 residential subcommittee shall give the appropriate builder a reasonable
 24 opportunity to comply with the provisions of this Part. Once the repairs are
 25 made, the residential subcommittee shall have the home reinspected to
 26 determine if the repairs have been made in compliance with the building
 27 standards.

28 B. The factory-built housing dealer or developer licensee shall give the
 29 owner written notice of the requirements of this Part at the time of the closing
 30 between the factory-built housing dealer or developer and the owner, or if there

1 is no such closing, at the time of the execution of the purchase agreement
2 between the factory-built housing dealer or developer and the owner. The
3 residential subcommittee shall adopt and promulgate rules and regulations in
4 accordance with the Administrative Procedure Act to implement the provisions
5 of this Subsection.

6 §2177.6. Peremption

7 Any action to enforce any warranty provided in this Part shall be subject
8 to a preemptive period of thirty days after the expiration of the appropriate
9 time period provided in R.S. 37:2177.4.

10 §2177.7. Insurance

11 All or part of the builder's obligation pursuant to any warranty required
12 in this Part may be insured by the builder for the benefit of the purchaser
13 through an insurance company authorized to transact business in this state.

14 §2177.8. Transfer of warranty and insurance

15 Any warranty imposed pursuant to this Part and any insurance benefit
16 shall automatically transfer without charge to a subsequent owner who acquires
17 title to the home. Any transfer of the home shall not extend the duration of any
18 warranty or insurance coverage.

19 §2177.9. Violations; limitations

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

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

30 §2177.10. Exclusiveness

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

6 PART III. MINIMUM STANDARDS FOR INSTALLATION
7 OF MANUFACTURED AND MODULAR HOMES AND
8 TRANSPORTATION REQUIREMENTS

9 §2177.21. Definitions

10 For the purposes of this Part, the following words have the following
11 meanings:

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

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

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

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

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

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

28 (7) "Over-roof tie" means a certain device approved by the
29 manufactured homes manufacturer and used for the purpose of securing the
30 manufactured homes systems to ground anchors in order to resist wind forces.

1 Ties may be installed only under roof material.

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

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

9 (10) "Transporter" means an individual who transports a manufactured
10 or modular home to the site of installation but does not perform any blocking
11 or anchoring of the home, however, a transporter is allowed to put blocks under
12 the hitch on the tongue of the frame.

13 §2177.22. Installation standards for manufactured and modular homes

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

16 (1) Installation standards for the setup of new manufactured homes shall
17 comply with the manufacturer's installation instructions. Installation for the
18 setup of new or used modular homes shall comply with the International
19 Residential Code enforced by the local authority having jurisdiction.

20 (2) Installation standards for the setup of used manufactured homes shall
21 comply with the manufacturer's installation instructions, if available. In the
22 absence of the manufacturer's installation instructions, used manufactured
23 homes shall comply with the provisions of this Part.

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

28 (4) As to site preparation, the under-home grade, or ground, shall be
29 cleaned of all vegetation and organic material, such as stumps, roots, or similar
30 material, except grass not exceeding three inches in height. The area beneath

1 and around the home shall be crowned, sloped or properly drained so that
2 water will not flow or accumulate under the home. All grass and organic
3 material shall be removed and the pier foundation placed on stable soil or
4 compacted fill. When the soil compaction or soil-bearing capacity is not known,
5 the local building authority in the locale may be consulted or a reading by the
6 use of a pocket penetrometer may be obtained. The bottom of the footer or
7 footers shall be placed on stable soil. The pier foundation shall be a minimum
8 of three and one-half inches by sixteen inches by sixteen inches solid concrete
9 pad or equivalent, precast or poured in place, or approved material by the
10 regulatory agency. The regulatory agency, or its duly authorized
11 representatives, shall cause products to be analyzed or tested to require that the
12 pier foundation products have a deflection of not more than three-eighths inch
13 under design load. Such testing may be conducted by an independent third
14 party qualified and approved by the agency. Previous testing data submitted in
15 other jurisdictions may be considered by the agency. Where the manufacturer's
16 specifications have additional requirements other than the above, the more
17 stringent shall apply. The landowner is responsible for proper site preparation
18 in accordance with this Paragraph.

19 (5) All manufactured homes shall be anchored with an approved anchor
20 system. All auger systems shall be installed to a minimum depth of thirty inches,
21 or two and one-half feet, in undisturbed or compacted soil. Piers are to be
22 installed off center of the anchors so as not to interfere with the proper
23 alignment of the strapping. Anchors may be installed in predrilled holes,
24 provided the anchor penetrates a minimum of two feet into undisturbed soil
25 beyond the predrilled hole. When the anchor manufacturer's installation
26 instructions permit, the hole is then backfilled with soil compacted in layers not
27 exceeding six inches. For manufactured homes produced after July 13, 1994, the
28 installer shall refer to the manufacturer's setup manual for the ultimate load
29 requirements for anchors at the different tie points on the manufactured home.
30 For used manufactured homes when the manufacturer's setup manual is not

1 available, all anchor points at side walls, shear walls, end walls, centerline, and
2 other points as identified by the manufacturer, shall be certified for an ultimate
3 load of four thousand seven hundred twenty-five pounds. Anchors are required
4 one at each end of shear walls; one on each end of each I-beam; one frame tie
5 at each vertical tie point; one in each end of each marriage wall, centerline; and
6 on each ridge beam support post.

7 (6) Frame tie ground anchors shall have approved stabilizing devices
8 installed on the inside, in the direction of pull, with the top of the stabilizing
9 plate driven flush with the soil unless otherwise specified by the manufacturer's
10 guidelines.

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

27 (8)(a) In flood-prone areas, the foundation shall comply with the
28 requirements set forth in the manual, Manufactured Home Installation In Flood
29 Hazard Areas, published by the Federal Emergency Management Agency
30 (FEMA). Nothing in this Paragraph shall be construed to prohibit state or local

1 jurisdictions from adopting more stringent elevation or freeboard requirements
2 than those contained in the FEMA manual, consistent with Subparagraph (b)
3 of this Paragraph.

4 (b) For all manufactured and modular home installations in this state,
5 the state and political subdivisions may adopt laws, rules, ordinances, building
6 codes, or other measures to regulate installations that include additional
7 freeboard requirements beyond the minimum standards adopted by the
8 National Flood Insurance Program, 42 U.S.C. 4011 et seq., in order to
9 incentivize going above the minimum floodplain management standards.
10 Freeboard requirements shall be uniformly applied based on the Base Flood
11 Elevation established in the currently adopted Flood Insurance Rate Map for
12 the jurisdiction and shall not vary based on alternative or superseded mapping
13 sources.

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

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

20 §2177.23. Foundations and piers

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

24 (1) Piers:

25 (a) Piers shall be centered under the I-beam and installed as provided by
26 rules promulgated by the residential subcommittee. The first pier shall be
27 within two feet of either end of the home. The pier foundation shall be a
28 minimum of three and one-half inches by sixteen inches by sixteen inches solid
29 concrete pad precast or poured in place, or other pad meeting the two thousand
30 five hundred pounds per square inch rating, or other approved material.

1 **(b) Piers may be constructed of regular eight inches by eight inches by**
2 **sixteen inches concrete blocks, open cells, solid (minimum eight inches by ten**
3 **inches top), centered on the footing or foundation. A one inch or two inch by**
4 **eight inch by sixteen inch treated or hardwood plate, or other approved**
5 **material shall completely cover the top of the pier with shims, one-fourth inch**
6 **minimum and one and one-half inch maximum, centered and driven tight from**
7 **both sides of the I-beam between the wood plate or cap and the main frame.**
8 **Single-tiered block piers shall be installed perpendicular to the main I-beam.**
9 **However, when a pier has been capped with at least a four inch (three and one-**
10 **half inch) solid concrete block or other approved material, one-fourth inch of**
11 **wood stock or wood shims shall be installed between the pier and steel I-beam.**

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

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

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

3 (f) Metal or precast support piers shall be installed on a base or footer
4 of a minimum size of four inches by eight inches by sixteen inches of solid
5 concrete or other approved material.

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

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

14 (2) Foundations:

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

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

19 §2177.24. Installation standards for anchors and tie-downs

20 The following specifications are standards set for used manufactured
21 homes when manufacturer's installation instructions and specifications are not
22 available:

23 (1) Anchors:

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

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

27 (2) Frame ties:

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

1 **(b) Frame ties shall make at least one complete wrap around the chassis**
2 **or frame and shall be looped from the top of the I-beam to the anchor. However,**
3 **some frame tie straps may have to extend from the bottom of the I-beam or the**
4 **I-beam on the opposite side to assure the proper angle due to the height of the**
5 **home.**

6 **(c) Each frame tie shall be installed to the component manufacturer's**
7 **instructions.**

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

10 **(3) Marriage wall or centerline ridge beam column ties, shear wall ties,**
11 **and frames ties:**

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

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

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

23 **§2177.25. Installation standards for used manufactured homes in hurricane**
24 **zones**

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

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

29 **(2) Longitudinal ties only are required at each end of each unit. The**
30 **minimum number of ties at a minimum angle of forty-five degrees from vertical**

1 is three each for Zone II and four each for Zone III.

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

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

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

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

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

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

21 §2177.26. Local installation standards preempted

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

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

27 A.(1) The residential subcommittee shall, by rule adopted in accordance
28 with the Administrative Procedure Act, provide for the licensure of installers
29 and transporters of manufactured and modular homes and the implementation
30 and collection of an annual license fee and an installation permit sticker fee. The

1 installer's and transporter's license fee is one hundred twenty-five dollars per
2 license, and the installation permit sticker fee is twenty dollars. A licensed
3 installer is allowed to perform the functions of a transporter without having to
4 obtain that license.

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

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

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

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

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

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

30 §2177.30. Mobile homes not covered

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

3 PART IV. MANUFACTURED HOUSING STATE

4 ADMINISTRATIVE AGENCY

5 §2177.51. Definitions

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

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

13 (2) "State administrative agency" means the board.

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

16 §2177.52. Louisiana state administrative agent

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

30 B. The power and authority of the agent includes but is not limited to the

1 following:

2 (1) Working with manufactured home consumers, manufacturers,
3 factory-built housing dealers, factory-built housing developers, salesmen, and
4 installers to hear consumer complaints and other information relating to
5 noncompliance, defects, or imminent safety hazards in accordance with 24 CFR
6 Part 3282, Subpart I. The agent or residential subcommittee may make final
7 determinations regarding consumer complaints.

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

11 (3) Establishing necessary notification and corrective procedures
12 pursuant to 24 CFR Part 3282, Subpart I.

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

15 (5) Establishing a monitoring inspection fee in accordance with the
16 guidelines established by the secretary of the United States Department of
17 Housing and Urban Development and providing for participation in the federal
18 fee distribution system.

19 §2177.53. Administrative and enforcement of the state plan; powers;
20 applicability

21 A. The agent is charged with the adoption, administration, and
22 enforcement of the state plan, pursuant to the federal standards enforcement
23 program and any other rules and regulations necessary for the administration
24 and enforcement of the state plan. The standards adopted shall conform to the
25 standards promulgated pursuant to 24 CFR Part 3280 and 24 CFR Part 3282.
26 The agent shall discharge this duty consistent with the rules and regulations
27 promulgated by the United States Department of Housing and Urban
28 Development.

29 B. The agent may adopt, pursuant to the Administrative Procedure Act,
30 such rules and regulations as are necessary to enforce the standards

1 promulgated pursuant to the state plan and any other rules and regulations
2 necessary for the administration and enforcement of the state plan not
3 inconsistent with the provisions of the federal standards enforcement program.

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

7 * * *

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

9 §1730.23. Enforcement of building codes by municipalities and parishes

10 * * *

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

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

26 (3) All municipalities, parishes, or factory-built housing licensees, shall
27 use a building code enforcement officer, third-party provider, or third-party
28 provider contracted by a jurisdiction, that is certified to conduct inspections
29 using the United States Department of Housing and Urban Development's
30 construction standards for manufactured homes.

