



MHD Bulletin

February 2012

Agency Contact Information

Assistance with Licensing Issues or Consumer Complaints

Email: licensing@tdhca.state.tx.us

Toll Free Number: **877-313-3023**

Fax Number: **512-475-3506**

Assistance with Titling/Statement of Ownership and Location (SOL)

Email for general SOL Inquiries: processing@tdhca.state.tx.us

Email for responding to an SOL Request for Additional Information (issued on an incomplete SOL application): mhrairesponse@tdhca.state.tx.us

Toll Free Number for Industry: **888-576-2240**

Toll Free Number for Consumers: **800-500-7074**

Fax Number: **512-475-1109**

Relocating a Manufactured Home

1. A moving permit is required for transporting on any city and county roads. A copy should be provided to the consumer.
2. Only a bonded and licensed Installer can install manufactured homes.
3. The Installer must submit an Installation Report (also known as a Form T) to the Department within 7 working days after installation so an inspection can be performed, ensuring that the home is installed properly. A copy should be provided to the consumer.
4. An Application for Statement of Ownership and Location, with a copy of the moving permit, must be submitted by the owner of the home, within 60 days from the home is relocated.

Failure to include the moving permit will not prevent the application from being processed. However, the application will be referred to the Texas Department of Transportation (TxDOT), Motor Carrier Enforcement Division.

For more details on applicable motor carrier permit laws, contact the TxDOT Motor Carrier Permits Division:

Phone Number: 1-800-299-1700
E-mail Address: MCD-Respond@dot.state.tx.us

Tax Statements

Sales in 2011 – Application for SOL must include a statement from the Tax Assessor-Collector confirming that all taxes have been paid for 2011. A release of lien for any tax liens already filed with the Department must also be included.

Sales between Jan and June 30 of current year – Applications for SOL must include a statement from the Tax Assessor-Collector confirming that all taxes have been paid for 2011 AND prepaid and escrowed for 2012. A release of lien for any tax liens already filed with the Department must also be included.

Sales between July 1 and December 31 of current year - Applications for SOL must include a statement from the Tax Assessor-Collector confirming that all taxes have been paid for 2012. A release of lien for any tax liens already filed with the Department must also be included.

Original MCO required with all new home applications

Section 1201.204 requires that, with the submittal of all new home applications for SOL, the original Manufacturer's Certificate of Origin (MCO) be included.

The law also requires that all floorplanners of record be notified that the Retailer did not provide the original MCO with the application.

Failure to surrender the MCO is a violation which may result in administrative action for non-compliance

SOL Application must be submitted to the Department or a \$100.00 Fee may be charged

Section 1201.206(h) of the Occupations Code states that if a person selling a manufactured home to a consumer for residential use fails to file with the department the application for the issuance of a statement of ownership and location and the appropriate filing fee before the 61st day after the date of the sale, the department may assess a fee of at least \$100 against the seller.

Top 5 reasons for why SOL applications are returned for completion between 9/1/2011 – 1/31/2012:

1. Tax liens on file
2. Need tax statement
3. Need Date of sale
4. Need release of mortgage lien
5. Need payment

This message brought you as a general source of information, promoting public awareness and self-compliance.

Installation Reports

Title 10, Section 80.33(g) of the Texas Administrative Code, states that:

For each installation completed, the contracting installer must complete a Notice of Installation (aka Form T) and submit the original, signed form with the required fee to the Department **no later than seven (7) days after which the installation is completed**, but not later than three (3) days for probationary installers. A single payment may be made when multiple forms are submitted.

To prevent delays, **do not** send Installation Reports and fees with applications for statements of ownership and location (SOL).

Installers with a probationary license should fax their report to the field office nearest them and submit the original with the fee to the Department's headquarters in Austin.

Lubbock Fax - 806-794-6876

Waco Fax - 254-714-1353

Salvage procedures

Section 1201.461 of the Occupations Code states that a home is salvaged if it is scrapped, dismantled, or destroyed, OR if an insurance company pays the full insured value of the home.

Additionally, it states that a person may not sell, convey, or otherwise transfer to a consumer in the state, a manufactured home that is salvaged. A salvaged manufactured home may only be sold to a license retailer or licensed rebuilder and may only be rebuilt in compliance with the Texas Administrative Code, which require specific steps to be taken **BEFORE** construction begins.

Consumers may not rebuild a salvaged home.

Finally, it states that participating in the sale or installation of a salvaged home to a consumer that has not been rebuilt in compliance with the law and rules, constitutes an imminent threat to health or safety and is a Class B misdemeanor.

Electrical Testing

Pursuant to Section 80.25(j)(5) of the Administrative Rules, when installing a manufactured home, the completion of a continuity test, a polarity test, and an operational test is required. This rule was adopted and has been in place since 1998. This applies to both new and used homes.

ADDITIONALLY, for a NEW manufactured home, you will also need to check the Manufacturer's Installation Manual to determine if the Manufacturer requires additional testing along with the continuity test, the polarity test, and an operational test, as required by 24 CFR § 3285.702(f).

The electrical testing *does not* have to be completed by a licensed electrician, but must be completed once the electricity is activated or by using a generator. The home cannot be occupied until all installation requirements have been met and the installation is complete.

Proof of this testing should be maintained on file for auditing purposes.

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The rule changes were adopted and are effective 3/11/2012

Section 80.3(d) - Break down the fees into three courses (Core Education Fee \$150, Retailer Education Fee \$50, and Installer Education Fee \$50).

Section 80.3(e) - Remove text relating to approving a third-party to provide an initial licensing instruction course because the Department does not currently provide an option for third-party initial licensing instruction.

Section 80.3(k) Remove the charge of \$1.50 for additional copies of the Statement of Ownership and Location because it cost more to process the payment than to provide a copy at no charge.

Subchapter D was missing and was missing and inserted, moving each subchapter up (E to D, F to E, etc.)

Section 80.41(c)(1) Breaks down the hours required and types of courses (eight (8) hours for initial instruction course; four (4) hours for retailer course and four (4) hours for installer course).

Section 80.41(c)(2) Clarifies that each course be required to test separately and a score of 70% correct is required to pass each test. Also, changed the word "prepared" to "approved" relating to the approval of questions by the director.

Section 80.41(c)(3) Changed the word "terminated" in the first sentence to "suspended." Added a sentence explaining while the license is in a suspended status the salesperson may not act as a manufactured housing salesperson.

Section 80.41(c)(4), (5) and (6) Deleted as there is no requirement to list the curriculum in the rules.

Section 80.41(d)(4) Corrected an error by changing the wording "a letter application" to "an application."

Section 80.41(f)(3) Revised the criteria in determining whether to issue a license to an applicant based on the applicants criminal record, instead of being limited to criminal conviction.

Section 80.41(f)(4), (5) and (6) Changed wording from having a criminal conviction to having a criminal record.

Section 80.90(d) Remove the certified copy fee of \$1.50 because the fee is insignificant and is more costly to process for the Department when applications are rejected because the fee is missing. Providing a copy for free enables the user to reprint certified copies from their own computer which is more efficient for the consumer and the Department.

Section 80.90(f)(2)(D) and (3)(C) added new subparagraphs to clarify that a commitment for title insurance could be accepted to release liens.

Section 80.90(h) removed the **proposed requirement** to provide a copy of the deed to confirm that the applicant declaring the home as abandoned is the owner of the real property.