

SUBJECT: Mandatory continuing education for manufactured housing industry

COMMITTEE: Licensing and Administrative Procedures — favorable, without amendment

VOTE: 6 ayes — Wilson, Kubiak, Brimer, Dear, Torres, Yarbrough
0 nays
3 absent — Goolsby, Jones, Pickett

WITNESSES: For — Will Ehrle, Texas Manufactured Housing Association
Against — None

DIGEST: HB 785 would allow the state commissioner of licensing and regulation to require registered manufactured housing retailers, brokers, installers and manufacturers to participate in continuing education programs. The requirement could be imposed 30 days after a public hearing on the topic.

HB 785 would also delete from the Texas Manufactured Housing Standards Act a requirement that the commission of licensing and regulation approve authorizations of third-party inspection agencies by the Department of Housing and Urban Development (HUD).

The bill would take immediate effect if approved by two-thirds of the membership of each house.

SUPPORTERS SAY: Voluntary participation in continuing education programs by state-registered manufactured housing representatives has proved insufficient to fully protect the public and the credibility of the industry. Such training should be required, so that safer and more effective installation procedures and new regulations are quickly taught to all registrants. This would assure that manufactured homes fully comply with all safety requirements.

About half the persons registered to deal in or install manufactured housing already participate in continuing education, and the state should assure that the other half also get this benefit. The cost of the programs is reasonable, between \$35 and \$125 for one- to three-day programs, which should not

work a hardship on participants, but the fiscal note indicates that fees from programs would more than cover what the state would spend.

The obsolete restriction on inspectors should be deleted to promote flexibility. Employees of the Department of Licensing and Regulation now inspect all new manufactured homes, at a cost to the manufacturer. But if the agency were ever financially unable to inspect all the new homes, current law would require that third-party inspectors be approved by the commission, as well as by the U.S. Department of Housing and Urban Development. This would be redundant since federal regulations preempt commission regulations. HB 785 would clarify that the commission has no power to approve or disapprove a third-party inspector authorized by HUD. If third-party inspectors are ever needed because of a commission manpower shortage, the commission could just send out the list of HUD-authorized third-party inspectors to the manufacturers.

**OPPONENTS
SAY:**

Voluntary continuing education programs for the manufactured housing industry are working well and need not be made mandatory. Moreover, because the programs are voluntary, the operators have an incentive to keep costs down, which encourages participation. If the programs had a captive audience, costs might rise.

People already familiar with the latest laws and installation procedures might lose valuable time from work taking classes they do not need, just to fulfill a bureaucratic requirement at a time when government regulation is being scaled back in other areas.