

Manufactured Housing Association for Regulatory Reform

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VIA FEDERAL EXPRESS

Hon. Julian Castro Secretary U.S. Department of Housing and Urban Development Suite 10000 451 7th Street, S.W. Washington, D.C. 20410

Re: 2015 Appointments to the Manufactured Housing Consensus Committee

Dear Secretary Castro:

The Manufactured Housing Association for Regulatory Reform (MHARR) is a national trade organization representing the views and interests of manufactured housing producers subject to regulation by the Department of Housing and Urban Development (HUD) pursuant to the National Manufactured Housing Construction and Safety Standards Act of 1974 as amended (Act). MHARR represents primarily smaller and medium-sized producers from all regions of the United States.

As you are aware, the Manufactured Housing Consensus Committee (MHCC) was established by Congress as part of the Manufactured Housing Improvement Act of 2000 in order to promote timely revisions to the HUD manufactured housing standards and enforcement regulations through a balanced, transparent, consensus-based process that would ensure proper representation for all program stakeholders and thereby limit regulatory disputes and related litigation.

From the time that the MHCC was constituted in 2002, until 2010, the Committee included voting staff members from the industry's two national associations, MHARR and the Manufactured Housing Institute (MHI), acting in a representative capacity on behalf of industry members. In 2010, however, based on White House guidance directing the exclusion of registered federal lobbyists from Federal Advisory Committees, the terms of those collective industry representatives were allowed to lapse and since that time, there has been <u>no</u> collective industry voting representation on the MHCC.

This exclusion of collective industry MHCC representation would be improperly extended by HUD's 2015 MHCC membership appointments (announced February 4, 2015), which rejected the application of a collective, non-lobbyist industry candidate even though: (1) 2011 Office of Management and Budget (OMB) guidance stated that the White House ban did not apply to non-lobbyist employees of lobbying organizations; (2) revised OMB guidance issued August 13, 2014 lifted the ban entirely for lobbyists who are appointed in a "'representative capacity' ... for the express purpose of providing a committee with the views of a nongovernmental entity, a recognizable group of persons or nongovernmental entities (an industry sector, labor unions, or environmental groups, etc.)" -- as would be the case with a collective industry MHCC member; (3) collective MHCC representation is - and has been -permitted for other MHCC interest groups, including "users" (i.e., consumers); and (4) the discriminatory exclusion of collective representation directly prejudices industry members - and especially manufacturers – who are the primary focus of HUD regulation.

The extremely negative impact of this discriminatory exclusion policy on the industry, on the balance of interests and representation on the MHCC, and on both the credibility and functionality of the MHCC itself, is further exacerbated by the continued improper manipulation of MHCC appointments by HUD. For example, HUD has allowed single-issue, anti-industry members to remain on the Committee well beyond the two three-year terms specified in the MHCC bylaws (e.g. one such member continues to serve on the Committee after nine years), while the 2015 appointments include an "environmental" activist with no background whatsoever in manufactured housing or the unique issues affecting its use and status as affordable housing, and its regulation by HUD.

MHARR strenuously objects to both the continued baseless exclusion of collective industry representation on the MHCC and the improper manipulation of Committee appointments, and calls on you to take prompt action to rectify this matter and restore a proper balance of representation on the MHCC.

Sincerely

Mark Weiss

President

cc: HUD Code Industry Manufacturers