

## MHI NEWS & UPDATES

June 28, 2017

# MHI Members Visit Capitol Hill to Discuss Recent Washington Actions Impacting Manufactured Housing

On June 26-27, members from across the nation descended on Washington, DC, for MHI's 2017 Summer Legislative Fly-In. As part of this two-day event, attendees heard from senior Administration officials and met with their Members of Congress to discuss recent actions taken in Washington that are negatively impacting manufactured housing and keeping families from obtaining the dream of homeownership. MHI members, representing 23 states, conducted almost 100 meetings with Congressional offices during their time in Washington.

At the General Session on June 26, attendees were briefed on MHI's two legislative priorities that needed to be addressed during their Capitol Hill visits: reducing regulatory burdens to financing for manufactured homes and fighting regulatory overreach by the Department of Housing and Urban Development (HUD). Dr. Lesli Gooch MHI's Senior Vice President of Government Affairs and Chief Lobbyist, conducted a presentation to educate, each participant about the two key requests to be made on the Hill, including offering succinct talking points in favor of each issue and providing examples of the negative impact the issue was having on consumers. The two requests included:

- Ask Secretary Carson to stop HUD's expansion of the regulation of manufactured housing beyond, and often contradictory to, the statute – on issues like garages, carport, frost free foundation requirements, and on-site completion of construction.
- Ask for support for moving the Preserving Access to Manufactured Housing Act through Congress. In the Senate, ask your Senator to call the Senate Banking Committee to include the Preserving Access to Manufactured Housing Act in its final regulatory reform package. In the House, ask your Representative to cosponsor H.R. 1699, the Preserving Access to Manufactured Housing Act.

Members also heard from senior Administration officials Sheila Greenwood, Chief of Staff to HUD Secretary Ben Carson, and Mark Calabria, Chief Economist to Vice President Mike Pence.



Sheila Greenwood discussed HUD's role in manufactured housing and addressed the Department's recent actions that impact the industry. Ms. Greenwood expressed the importance of promoting access to manufactured housing as a critical component in facilitating the dream of homeownership for low- to moderate-income families across America. She spoke about HUD's commitment to increasing transparency in relation to regulatory reform, and explained her excitement to work closely with our industry throughout the process moving forward.

Mark Calabria highlighted the recent steps taken by the Administration to address regulatory reform at the federal agencies including reducing regulations and costs. He noted that the Trump Administration understands the harm federal rules and regulations are having on businesses – and ultimately consumers – and that is the reason for the recent spate of Executive Orders issued to address this problem.





Closing out the General Session, Lesli Gooch moderated a discussion between Manuel Santana, Director of Engineering for Cavco Industries, and Matthew Webb, General Counsel of 21st Mortgage Corporation, that provided attendees with more in-depth details on the two key issues they would be discussing on Capitol Hill. Santana educated members on recent compliance actions by HUD that have negatively

impacted the industry. From HUD's On-Site Completion of Construction Rule to its reinterpretation of a June 2014 guidance letter on what constitutes an "Add-on," he provided real life examples of how HUD's actions are impacting the industry and ultimately harming the consumer. With respect to HUD's recently issued violation citations on the design and production of carport ready homes, he noted there are currently manufactured housing plants with tens of millions of dollars of backlogged orders because of HUD's unexpected new requirement. Similarly, Matthew Webb provided details and examples of how the lack of available financing is impacting consumers seeking to purchase a manufactured home. He noted that consumers are being denied financing to purchase a manufactured home due to the Consumer Financial Protection Bureau (CFPB) and Dodd-Frank Act regulations. Specifically, he cited examples of how someone who would have qualified to purchase a manufactured home in the past, does not qualify today due to the Dodd-Frank regulations.

MHI is strongly advocating in Congress for the passage of The Preserving Access to Manufactured Housing Act (H.R. 1699) which addresses these specific federal regulations implementing the Dodd-Frank Act that have impeded consumers' ability to finance manufactured housing, which is a critical resource for low and moderate-income families across the country. The bill modifies the definition of "high-cost" loans so that manufactured home loans are not unfairly swept under this designation simply due to their small size. The legislation also amends the SAFE Act and the Truth in Lending Act to exclude manufactured housing retailers and sellers from the definition of a loan originator, so long as they are only receiving compensation for the sale of the home and not engaged in financing the loans. This legislation ensures manufactured housing remains available and affordable, without eroding important federal consumer protections established by the Dodd-Frank Act.

On June 27, participants flooded the Hill in a day full of meetings with elected officials and their staff to discuss the legislative priorities: reducing regulatory burdens to financing for manufactured homes and fighting regulatory overreach by the Department of Housing and Urban Development (HUD). At a luncheon that day, MHI presented the 2017 Champion of Homeownership Award to manufactured housing leaders in Congress – Representatives Andy Barr (R-KY), Kyrsten Sinema (D-AZ), Terri Sewell (D-AL), and Kathleen Rice (D-NY) – all of whom are sponsors of The Preserving Access to Manufactured Housing Act (H.R. 1699). During the acceptance of his Award, Representative Barr thanked the industry for its persistence and advocacy efforts on the Hill to address this issue which impacts all Americans. He stated, "Manufactured housing is a non-partisan issue – both Republicans and Democrats need access to affordable housing. It's about the American people not party." Representative Sinema echoed those remarks, noting that "manufactured housing makes dreams possible."



***Rep. Kyrsten Sinema; Kentucky MHI's Betty Whittaker with Rep. Andy Barr; Rep. Kathleen Rice; and Clayton's Tom Hodges with Rep. Terri Sewell***

Despite jam-packed schedules requiring treks back and forth from the House-side to the Senate-side of the Capitol complex, MHI members diligently delivered the key messages. The meetings were a great success in demonstrating to Members of Congress the importance of manufactured housing as a critical resource to their constituents. Already, additional members have cosponsored H.R. 1699, the Preserving Access to Manufactured Housing Act, and calls have been placed to the HUD Secretary about the recent regulatory overreach. The impact of these face-to-face meetings in D.C. is exceptionally influential to Senators and Representatives and MHI sincerely thanks all those who participated in the Hill visits this year.

If you have any questions, please contact MHI's Government Affairs Department at 703-229-6208 or [MHIgov@mfghome.org](mailto:MHIgov@mfghome.org).

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