



October 23, 2023

The Honorable Cathy McMorris Rodgers
Chairwoman
U.S. House of Representatives
Committee on Energy and Commerce
2125 Rayburn House Office Building
Washington, DC 20515

The Honorable Frank Pallone
Ranking Member
U.S. House of Representatives
Committee on Energy and Commerce
2125 Rayburn House Office Building
Washington, DC 20515

Dear Chairwoman McMorris Rodgers, Ranking Member Pallone, and Members of the Energy and Commerce Committee,

The Manufactured Housing Institute (MHI) writes in support of the “Affordable HOMES Act,” sponsored by Representative Larry Bucshon, M.D. (IN-8). This bill rescinds the statutory provision from the 2007 Energy Independence Security Act (EISA) that directs the Department of Energy (DOE) to establish energy standards for manufactured homes.

MHI is the only national trade association that represents every segment of the factory-built housing industry. In 2022, our industry produced nearly 113,000 homes, accounting for approximately 11 percent of new single-family home starts. More than 30 percent of new homes are Energy Star certified and even more are built to meet or exceed those standards.

The “Affordable HOMES Act” will end the conflict between DOE and HUD over diverging energy efficiency mandates for manufactured housing. For 50 years, HUD has had exclusive jurisdiction over all manufactured home construction and safety standards, which include energy efficiency standards. The “Affordable HOMES Act” is needed because:

- There are fundamental flaws in the underlying EISA provision authorizing the DOE standards. This provision was not properly vetted or debated, but was simply inserted as a rider. The EISA language had significant flaws, including references to federal building codes, even though such codes are incompatible with manufactured homes.
- The DOE standards have significant flaws which will impede their effectiveness. The DOE standards do not include a testing, compliance or enforcement regime. This is important because without these issues being resolved, there will only be further delays in updating and strengthening manufactured home energy standards.

- The DOE standards were developed without any effective consultation with HUD, the federal agency with extensive experience and expertise in developing manufactured housing construction and safety standards. This problem was demonstrated when HUD's Manufactured Housing Consensus Committee (MHCC) recently considered the DOE standards and found numerous problems with the standards, including a failure by DOE to consider the unique characteristics of manufactured homes.
- If the DOE standards are adopted, having two different sets of manufactured home energy standards will pose a significant compliance burden for manufactured home manufacturers and will thus diminish the supply of such homes. This is a problem because manufactured homes are our nation's most affordable homeownership option. In 2022, the average price of a manufactured home was \$127,250, while the average price of a site-built home was \$413,000. And, the average income of a manufactured home buyer was around \$35,000, while the average income of a site-built homebuyer was over \$100,000.

MHI strongly supports energy efficiency for manufactured homes. Through its federal advisory process, HUD is currently in the rulemaking process to substantially increase energy standards within the manufactured housing construction code. MHI has actively worked with and is supportive of these efforts by HUD through this established standard-setting process. HUD's approach is the best way to ensure the timely adoption of improved energy efficiency standards for factory-built housing, and to preserve the availability of affordable manufactured homes for American households. With a 50-year track record in regulating standards for manufactured homes and a proven testing, compliance, and enforcement regime, HUD is the right agency to do this.

We urge support for the "Affordable HOMES Act."

Sincerely,

Lesli Gooch, Ph.D.
Chief Executive Officer
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