



Grok, it seems to me that the board of directors of the Manufactured Housing Institute (MHI or manufacturedhousing.org) and the firms that they represent arguably could have liability if they allow the ROAD to Housing Act of 2025 to pass into law without the being amended as MHARR has argued:

<https://manufacturedhousingassociationregulatoryreform.org/manufactured-housing-association-for-regulatory-reform-mharr-submits-amendments-to-address-key-manufactured-housing-bottlenecks-industry-must-act/> and

<https://manufacturedhousingassociationregulatoryreform.org/white-paper-analysis-of-u-s-senate-road-to-housing-act-of-2025-a-manufactured-housing-association-for-regulatory-reform-mharr-critical-review/> Plus:

<https://www.manufacturedhomelivingnews.com/alert-why-homeowners-renters-manufactured-home-residents-must-demand-mharr-backed-changes-to-road-to-housing-act-2025-if-congress-doesnt-amend-road-act-it-should-be-removed-from-ndaa-fea/> and

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<https://www.manufacturedhomepronews.com/masthead/taxpayers-single-or-multi-family-housing-owners-renters-honest-vs-uninformed-or-corrupt-public-officials-should-demand-changes-to-the-road-to-housing-act-2025-or-strip-it-from-ndaa-fea/> Because

MHI should clearly be aware of the concerns, that is their job, correct? Yet they are apparently backing the bill which they publicly supported without amendments like MHARR suggested weeks ago, correct? Unpack the legal liabilities possible for me using plain text hyperlinks to support your findings.



Thought for 1m 0s

Potential Legal Liabilities for MHI Board of Directors and Represented Firms

To address your query, I'll unpack the possible legal liabilities based on the scenario you described: the Manufactured Housing Institute (MHI) board and the firms they represent supporting the ROAD to Housing Act of 2025 without pushing for amendments as advocated by the Manufactured Housing Association for Regulatory Reform (MHARR). This analysis draws from MHARR's critiques (e.g., that the unamended bill fails to address key bottlenecks like discriminatory zoning and financing issues, potentially harming the industry and consumers) and MHI's apparent public support for the bill without such changes. MHI's role as a national trade association (representing manufacturers, retailers, communities, and financiers) implies a duty to advocate in the best interests of its members and the broader industry, which could be at odds with backing a bill that MHARR argues is flawed.

I'll focus on two primary areas of liability: **breach of fiduciary duty** (stemming from directors' obligations to the association and its members) and **antitrust violations** (if actions facilitate anticompetitive behavior). These are not exhaustive, and actual liability would depend on specific facts, state laws (MHI is incorporated in Virginia, per public records), and court interpretations. I'm not providing legal advice—consult an attorney for personalized analysis. Hyperlinks to supporting sources are included in plain text for reference.

1. Breach of Fiduciary Duty

Trade association board directors, like those of non-profits, owe fiduciary duties of **care**, **loyalty**, and **obedience** to the organization and its members. These duties require acting with reasonable diligence, prioritizing the association's interests over personal or conflicting ones, and complying with the organization's mission and governing documents. If MHI's board knowingly supports a bill that could harm the industry's growth or members' interests (e.g., by ignoring MHARR's warnings about unaddressed bottlenecks), this could constitute a breach, exposing directors and their firms to lawsuits from dissatisfied members, shareholders (if firms are public), or even regulators.

- **Duty of Care:** Directors must make informed decisions. MHARR's white paper and amendment proposals explicitly warn that the unamended bill is a "hollow victory" that leaves discriminatory zoning and financing issues unresolved, suppressing production and affordability. If MHI's board was aware of these concerns (as industry leaders, they likely are—MHI's website notes they monitor legislation: <https://www.manufacturedhousing.org/>) but proceeded without amendments, this could be seen as negligent. For example, failing to advocate for enhanced preemption or mandatory Duty to Serve (DTS) implementation for chattel loans might harm smaller members reliant on broader market access. Legal precedent

shows directors can be liable for such oversights; see

<https://www.boardeffect.com/blog/fiduciary-responsibilities-nonprofit-board-directors/> for an overview of fiduciary responsibilities in non-profits.

- **Duty of Loyalty:** This prohibits self-dealing or favoring personal/firm interests. MHARR implies the bill benefits larger conglomerates (e.g., those tied to MHI leaders) by allowing higher-margin products while ignoring bottlenecks that disproportionately affect independents. Articles like <https://www.manufacturedhomelivingnews.com/alert-why-homeowners-renters-manufactured-home-residents-must-demand-mharr-backed-changes-to-road-to-housing-act-2025-if-congress-doesnt-amend-road-act-it-should-be-removed-from-ndaa-fea/> and <https://www.manufacturedhomepronews.com/masthead/taxpayers-single-or-multi-family-housing-owners-renters-honest-vs-uninformed-or-corrupt-public-officials-should-demand-changes-to-the-road-to-housing-act-2025-or-strip-it-from-ndaa-fea/> argue this perpetuates consolidation, harming consumers and smaller firms. If board members from dominant firms (e.g., Clayton Homes affiliates) push the bill to maintain market control, this could breach loyalty. Courts have held directors liable for interested transactions; see <https://law.stanford.edu/wp-content/uploads/2023/01/Fiduciary-Duties-of-the-Board-of-Directors.pdf>.
- **Duty of Obedience:** Directors must adhere to the association's mission (MHI's is to elevate factory-built housing; <https://www.manufacturedhousing.org/>). Supporting a bill that MHARR says conflates manufactured and modular housing, potentially eroding affordability mandates, could violate this. Liability might arise if members sue for failing to fulfill advocacy roles; see <https://www.asha.org/siteassets/uploadedfiles/legal-responsibilities.pdf> for examples of fiduciary duties in associations.

Possible Consequences: Civil lawsuits for damages, removal from the board, or reputational harm. Remedies could include compensation for lost opportunities (e.g., if production stagnates further). In extreme cases, if negligence is gross, personal liability might pierce protections like D&O insurance; see <https://millerlawpc.com/examples-of-breach-of-fiduciary-duty/> for common breach examples and remedies. Firms represented by directors could face vicarious liability if actions benefit them unlawfully.

MHI's awareness and support: Yes, as a key industry group, monitoring legislation is core to their job (per their site). They issued a members-only statement on the bill, and sources note their support without mention of amendments (e.g.,

<https://manufacturedhousingassociationregulatoryreform.org/white-paper-analysis-of-u->

[s-senate-road-to-housing-act-of-2025-a-manufactured-housing-association-for-regulatory-reform-mharr-critical-review/](#), which criticizes MHI for withdrawing support from a prior amendment). MHARR's proposals were public weeks ago (August/September 2025), so inaction could be viewed as deliberate.

2. Antitrust Liabilities

Trade associations like MHI are subject to U.S. antitrust laws (e.g., Sherman Act, FTC Act), which prohibit facilitating anticompetitive conduct among members. If supporting the unamended ROAD Act is seen as enabling market consolidation or restricting competition (e.g., by not addressing barriers that favor large players), the board and firms could face liability. MHARR argues the bill perpetuates bottlenecks that limit independent producers and consumers, potentially benefiting MHI's larger members.

- **Facilitating Anticompetitive Agreements:** Associations can't use their platform to suppress competition, such as through bylaws or advocacy that excludes smaller players. If MHI's bill support ignores zoning/financing fixes, it could be interpreted as maintaining a status quo where big firms dominate (e.g., via portfolio lending control). This risks Section 1 Sherman Act violations; see <https://www.ftc.gov/advice-guidance/competition-guidance/guide-antitrust-laws/dealings-competitors/spotlight-trade-associations>. MHARR's analyses (e.g., <https://manufacturedhousingassociationregulatoryreform.org/manufactured-housing-association-for-regulatory-reform-mharr-submits-amendments-to-address-key-manufactured-housing-bottlenecks-industry-must-act/>) warn of this, noting unamended passage strands consumers and independents.
- **Exposure for Directors and Members:** Boards can be personally liable for unlawful decisions, including antitrust breaches. A recent ruling highlights risks for officers/executives if actions harm competition; see <https://cullenlaw.com/blog/are-trade-association-members-or-their-boards-exposed-to-liability-for-unlawful-bylaws-or-decisions>. Firms could face DOJ/FTC investigations or private suits if seen as using MHI to rig markets.
- **Criminal and Civil Penalties:** Violations can lead to fines (up to \$100M for corporations, \$1M for individuals), imprisonment, or treble damages in civil suits. Associations must have antitrust compliance programs; see <https://www.justice.gov/archives/atr/speech/antitrust-and-trade-associations>. If MHI's support is linked to reducing competition (as implied in <https://www.manufacturedhomelivingnews.com/alert-why-homeowners-renters-manufactured-home-residents-must-demand-mharr-backed-changes-to-road-to->

[housing-act-2025-if-congress-doesnt-amend-road-act-it-should-be-removed-from-ndaa-fea/](#)), this amplifies risks.

In summary, liabilities hinge on proving the board's actions harmed interests they represent, especially given MHARR's public warnings. MHI's backing without amendments (evident from their statement and lack of public calls for changes) could invite scrutiny, as their job includes effective advocacy. For more, see general guides like <https://www.grantthornton.com/insights/articles/nfp/2023/three-legal-duties-every-board-member-must-follow>.

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[ManufacturedHousingAssociationForRegulatoryReformMHARR_SubmitsAmendmentsToAddressKeyManufacturedHousingBottlenecksIndustryMustActLogoPicImage](#) IMPORTANT TO: HUD CODE MANUFACTURED HOUSING INDUSTRY MEMBERS FROM: MHARR RE: SUBJECTS AS LISTED BELOW I. MHARR SUBMITS AMENDMENTS TO ADDRESS KEY MH BOTTLENECKS – INDUSTRY MUST ACT With Congress having returned from its Summer Recess, MHARR has taken a major step in relation to legislation affecting the industry that could advance during the remainder of the current session. Specifically, on July 29, 2025, the Senate Banking, Housing and Urban Affairs Committee voted to approve and send to the full Senate the Renewing Opportunity in the American Dream to Housing Act of 2025 (ROAD to Housing Act) originally sponsored b

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[White Paper Analysis of U.S. Senate ‘ROAD to Housing Act of 2025’ – a Manufactured Housing Association for Regulatory Reform \(MHARR\) Critical Review](#)

White Paper Analysis of U.S. Senate ‘ROAD to Housing Act of 2025’ – a Manufactured Housing Association for Regulatory Reform (MHARR) Critical Review Washington, D.C. 8.14.2025.

WhitePaperAnalysisU.S.SenateROADtoHousingAct2025ManufacturedHousingAssocForRegulatoryReformMHARR CriticalReviewSenBankingHousingUrbanAffairsTimScottElizabeth Warren FOR IMMEDIATE RELEASE Contact: MHARR (202) 783-4087 MHARR PUBLISHES CRITICAL ANALYSIS OF U.S. SENATE ROAD TO HOUSING ACT OF 2025 Washington, D.C., August 14, 2025 – The Manufactured Housing Association for Regulatory Reform (MHARR) has just released its White Paper analysis of the Senate ROAD to Housing Act of 2025 (see copy attached) that the Association had promised to develop and publish following the approval of that legislation by the U.S. Senate Committee on Banking, Housing and Urban Affairs on July 29, 2025. While fully supporting adoption of the legislation’s provision effectively making a “permanent chassis” optional for new HUD Code manufactured homes.

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ALERT. Why Homeowners-Renters-Manufactured Home Residents Must Demand MHARR-Backed Changes to ROAD to Housing Act 2025. If Congress Doesn’t Amend ROAD Act It Should Be Removed from NDAA. FEA - manufacturedhomelivingnews.com

ALERT. Why Homeowners-Renters-Manufactured Home Residents Must Demand MHARR-Backed Changes to ROAD to Housing Act 2025. If Congress Doesn’t Amend ROAD Act It Should Be Removed from NDAA. FEA The ROAD to Housing Act’s inclusion in the National Defense Authorization Act (NDAA) bypassed normal Congressional scrutiny and public debate. The arguably [problematic and seemingly corrupt Manufactured Housing Institute](https://www.manufacturedhomepronews.com/irs-complaint-subject-request-for-investigation-of-manufactured-housing-institute-mhi-is-accountability-ahead-for-mhi-leaders-accused-of-perjury-institutional-fiduciary-failures-mhville-fe) (MHI) has publicly pushed this bill without any public calls for amendment, as multiple artificial intelligence (AI) systems have confirmed. As left-leaning MS Bing’s AI powered Copilot said: “MHI’s failure to publicly acknowledge this legislative maneuver—despite its implications for manufactured housing—is a glaring omission.” Copilot also said that the Manufactured Housin

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[Taxpayers. Single or Multi-Family Housing Owners. Renters. Honest \(vs Uninformed or Corrupt\) Public Officials Should Demand Changes to the ROAD to Housing Act 2025 or Strip it from NDAA. FEA](#)

[Taxpayers. Single or Multi-Family Housing Owners. Renters. Honest \(vs Uninformed or Corrupt\) Public Officials Should Demand Changes to the ROAD to Housing Act 2025 or Strip it from NDAA. FEA Terminology 101-Understand Key Words: Palter-Posture-Projecting. Optics. Regulatory Capture-Iron Triangle. Nonprofit-Capture. Illusory Truth. How Throttling Production=Consolidation. 'Moat' Manufactured Housing Institute Email-CEO Lesli Gooch via LinkedIn: Teresa Payne Joined MHI; Tip- 'Payne's Policies Favored Largest Manufacturers for Years-Now She Joined MHI' Conflict Concerns-FEA 'MHARR Aligns Manufactured Home Industry-Pres Trump-HUD Secretary Turner Affordable Homeownership Vision' Sec Turner- MHARR Leaders Talk Manufactured Housing Improvement Act-Enhanced Preemption MHARR v MHI Engagement and Communications re: Incoming Trump 2.0+HUD Secretary E. Scott Turner – Authentic or Symbolic? Genuine or Posturing? Revealing Evidence- MHVille Facts-Evidence-Analysis The Full Speech Transcript – President of the United States](#)
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[MHI Statement on the ROAD to Housing Act of 2025](#)

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[MHARR Comments Reveal Key Misses by Manufactured Housing Institute, other affordable housing advocates in ROAD to Housing 2025 Bill.](#)

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[Manufactured Housing Institute - Elevating Housing Innovation ...](#)

[The Manufactured Housing Institute is the only national trade organization representing all segments of the factory-built housing industry.](#)

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[Fiduciary Responsibilities of a Nonprofit Board of Directors](#)

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[Antitrust Compliance Program - America's Credit Unions](#)

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[The Antitrust Danger of Trade Associations with Power](#)

[There are a couple of ways that trade associations—and, really, any group of industry competitors—harm competition and risk antitrust liability.](#)

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[A Reminder to Trade Associations to Tread Carefully](#)

[This post provides are some basic antitrust compliance reminders for trade associations and their members as well as best practices for avoiding ...](#)

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