

115TH CONGRESS
1ST SESSION

H. R. 515

To authorize the Secretary of Housing and Urban Development to provide grants and loans to owners of dated manufactured homes for the replacement of such dated manufactured homes with Energy Star-qualified manufactured or modular homes, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 13, 2017

Mr. ELLISON introduced the following bill; which was referred to the
Committee on Financial Services

A BILL

To authorize the Secretary of Housing and Urban Development to provide grants and loans to owners of dated manufactured homes for the replacement of such dated manufactured homes with Energy Star-qualified manufactured or modular homes, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Energy Efficient Man-
5 ufactured Home Act of 2017”.

1 **SEC. 2. ASSISTANCE FOR REPLACEMENT OF DATED MANU-**
2 **FACTURED HOMES WITH ENERGY-EFFICIENT**
3 **MANUFACTURED AND MODULAR HOMES.**

4 (a) **AUTHORITY.**—The Secretary of Housing and
5 Urban Development may carry out a program under this
6 section to provide grants to assist low-income, very low-
7 income, and extremely low-income owners of dated manu-
8 factured homes for the replacement of such dated manu-
9 factured homes with Energy Star-qualified manufactured
10 or modular homes.

11 (b) **GRANTS.**—

12 (1) **ELIGIBLE ENTITIES.**—The Secretary may
13 provide grants under this section only to—

- 14 (A) State housing finance agencies;
15 (B) units of general local government; and
16 (C) qualified nonprofit organizations.

17 (2) **COMPETITION; PRIORITY.**—The Secretary
18 shall provide grants under this section through com-
19 petition that provides priority to applicants for such
20 grants that, in accordance with criteria established
21 by the Secretary—

- 22 (A) demonstrate that providing a grant to
23 the applicant would result in substantial energy
24 gains and returns on investment on replacement
25 of dated manufactured homes;

1 (B) will use grants in areas having the in-
2 frastructure or planned infrastructure necessary
3 to replace dated manufactured homes;

4 (C) will act in partnership with providers
5 of high quality affordable lending products that
6 enable sustainable homeownership; or

7 (D) will supplement assistance provided to
8 eligible owners of dated manufactured homes
9 pursuant to a grant under this section with
10 funds from other sources, and provide such as-
11 surances as the Secretary considers necessary
12 to ensure that such supplemental amounts are
13 available for such purpose.

14 (3) USE OF FUNDS.—A grantee shall use
15 amounts from a grant provided under this section
16 only to provide assistance to owners of dated manu-
17 factured homes in accordance with subsection (c).

18 (4) FAILURE BY GRANTEES TO ACT.—If a
19 grantee fails to use any portion of grant provided
20 under this section during the 36-month period begin-
21 ning on the date of receipt of the grant amounts—

22 (A) the unused amount of the grant shall
23 revert to the Secretary; and

1 (B) the Secretary shall make such amounts
2 available under the competition required under
3 paragraph (2).

4 (c) ASSISTANCE.—Assistance under this subsection
5 shall be assistance designed to enable the owner of a dated
6 manufactured home to afford to replace or decommission
7 such manufactured home, subject to the following condi-
8 tions:

9 (1) FORM OF ASSISTANCE.—A grantee may
10 provide assistance under this subsection to the
11 owner of a dated manufactured home only in the fol-
12 lowing forms:

13 (A) A grant or loan for use toward the
14 purchase of a new Energy Star-qualified manu-
15 factured or modular home. The Secretary shall
16 establish such requirements for loans made with
17 assistance provided under this subsection, and
18 servicers of such loans, as necessary to ensure
19 that such loans are high quality affordable lend-
20 ing products that enable sustainable homeown-
21 ership.

22 (B) A grant for the decommissioning, and
23 any related costs, of a dated manufactured
24 home.

1 (2) INCOME AND PRIMARY RESIDENCE RE-
2 QUIREMENTS.—A grant or loan under this sub-
3 section may be made only to the owner of a dated
4 manufactured home who—

5 (A) is a low-, very low-, or extremely low-
6 income family; and

7 (B) has used such manufactured home as
8 a primary residence on a year-round basis for
9 at least the preceding 24 months.

10 (3) DESTRUCTION AND REPLACEMENT OF
11 DATED MANUFACTURED HOME.—

12 (A) IN GENERAL.—A grant or loan under
13 paragraph (1)(A) may be made only if the ap-
14 plicable dated manufactured home will be—

15 (i) destroyed (including appropriate
16 recycling); and

17 (ii) if replaced with a manufactured or
18 modular home, is replaced in an appro-
19 priate area (as determined by the applica-
20 ble State agency) with an Energy Star-
21 qualified manufactured or modular home.

22 (B) THIRD-PARTY VERIFICATION REQUIRE-
23 MENTS.—The Secretary shall establish such
24 third-party verification requirements as are nec-
25 essary to ensure that the requirements of sub-

1 paragraph (A) are met. Such requirements shall
2 provide that compliance with the requirement
3 under subparagraph (A)(i) to destroy a dated
4 manufactured home may be evidenced by means
5 of a photograph of the destroyed manufactured
6 home or of the lot where the manufactured
7 home was located showing that the lot is vacant
8 or the replacement home.

9 (4) PROHIBITION ON PREVIOUS ASSISTANCE.—

10 A grant or loan under paragraph (1)(A) may not be
11 provided to any owner of a dated manufactured
12 home that was or is a member of a household for
13 which any member of the household has previously
14 been provided a grant or loan pursuant to this sub-
15 section.

16 (5) CONTROL OF HOME SITE.—As a condition
17 of receipt of a grant or loan under paragraph (1)(A)
18 for the purchase of a new manufactured or modular
19 home, the land on which new manufactured or mod-
20 ular home is to be sited shall be—

21 (A) owned by—

22 (i) the owner of the dated manufac-
23 tured home to whom the grant or loan is
24 provided; or

1 (ii) a limited equity cooperative, a
2 nonprofit organization, a unit of local gov-
3 ernment or agency thereof, or a public
4 housing agency; or

5 (B) leased by the owner of the dated man-
6 ufactured home to whom the grant or loan is
7 provided under a land-lease agreement having a
8 duration not shorter than 10 years, which may
9 include a lease from a community land trust or
10 nonprofit housing corporation or a proprietary
11 lease (perpetual or renewable as a matter of
12 right) by a cooperative or homeowner associa-
13 tion that is owned or controlled by the home-
14 owners.

15 (6) REQUIREMENTS FOR DECOMMISSIONING
16 GRANTS.—A grant under paragraph (1)(B) for the
17 decommissioning of a dated manufactured home may
18 be made only if—

19 (A) the dated manufactured home for
20 which the grant is made will be destroyed (in-
21 cluding appropriate recycling);

22 (B) proof of, or adequate assurances for,
23 decommissioning of the dated manufactured
24 home is provided before the grant funds are
25 paid, and the Secretary shall provide that such

1 proof may include a photograph of the de-
2 stroyed decommissioned home or of the lot
3 where the decommissioned home was located
4 showing that the lot is vacant or the replace-
5 ment home;

6 (C) the owner agrees to repay the full
7 amount of the grant if the home is not decom-
8 missioned within 90 days of receipt of the grant
9 funds; and

10 (D) no member of the household of the
11 owner of the dated manufactured home for
12 which the grant is provided has previously been
13 provided a grant or loan pursuant to this sec-
14 tion.

15 (d) ADMINISTRATION.—

16 (1) CONTROLS AND PROCEDURES.—Each
17 grantee that receives a grant under this section shall
18 establish such fiscal controls and accounting proce-
19 dures as are sufficient, as determined by the Sec-
20 retary, to ensure proper accounting for disburse-
21 ments made from the funds and fund balances. Such
22 controls and procedures shall conform to generally
23 accepted Federal accounting principles, as deter-
24 mined by the Secretary.

1 (2) COORDINATION WITH STATE AGENCIES.—A
2 grantee of a grant under this section may coordinate
3 efforts and share funds for administration with
4 State and local agencies and nonprofit organizations
5 involved in low-income housing programs.

6 (3) ADMINISTRATIVE EXPENSES.—A grantee
7 may use not more than 10 percent of the funds pro-
8 vided under a grant under this section for adminis-
9 trative expenses involved in the grantee’s program
10 for making grants and loans under subsection (c).

11 (e) REPORTING.—

12 (1) SECRETARY.—Upon the conclusion of the
13 second fiscal year for which grants under the pro-
14 gram under this section are made and the conclusion
15 of each of the next successive four fiscal years, the
16 Secretary shall submit a report to the Congress de-
17 scribing the impact of the program, which shall in-
18 clude information regarding—

19 (A) the number of dated manufactured
20 homes decommissioned;

21 (B) the number of new manufactured and
22 modular homes purchased;

23 (C) the incomes of families assisted;

24 (D) the number of assisted families,
25 disaggregated by State and ZIP Code; and

1 (E) the number of new Energy Star-quali-
2 fied manufactured and modular homes that
3 were sited on land held under each type of ten-
4 ure described in subsection (c)(5).

5 (2) GRANTEES.—The Secretary shall require
6 grantees receiving grants under this section to sub-
7 mit such reports as may be necessary for the Sec-
8 retary to ensure compliance with this Act and enable
9 the Secretary to comply with the requirement under
10 paragraph (1).

11 (f) DEFINITIONS.—For purposes of this section, the
12 following definitions shall apply:

13 (1) DATED MANUFACTURED HOME.—The term
14 “dated manufactured home” means a manufactured
15 home constructed before December 31, 1994. In es-
16 tablishing requirements regarding demonstrating the
17 date of construction of homes, the Secretary shall
18 take into consideration the difficulty of producing
19 evidence of the date of construction of homes manu-
20 factured before 1976.

21 (2) ENERGY STAR-QUALIFIED.—The term “En-
22 ergy Star-qualified” means, with respect to a manu-
23 factured or modular home, that the home has been
24 designed, produced, and installed by an Energy
25 Star-certified entity in accordance with Energy Star

1 guidelines issued by the Secretary of Energy for
2 manufactured or modular homes, as applicable.

3 (3) LOW-INCOME FAMILY; VERY LOW-INCOME
4 FAMILY; EXTREMELY LOW-INCOME FAMILY.—

5 (A) LOW-INCOME FAMILY.—The term
6 “low-income family” means a family having an
7 income that is not greater than 80 percent of
8 area median income, with adjustments for
9 smaller and larger families, as determined by
10 the Secretary, except that such term includes
11 any family that resides in a rural area that has
12 an income that does not exceed the poverty line
13 (as such term is defined in section 673(2) of
14 the Omnibus Budget Reconciliation Act of 1981
15 (42 U.S.C. 9902(2)), including any revision re-
16 quired by such section) applicable to a family of
17 the size involved.

18 (B) VERY LOW-INCOME FAMILY.—The
19 term “very low-income family” means a family
20 having an income that is not greater than 50
21 percent of area median income, with adjust-
22 ments for smaller and larger families, as deter-
23 mined by the Secretary.

24 (C) EXTREMELY LOW-INCOME FAMILY.—
25 The term “extremely low-income family” means

1 a family having an income that is not greater
2 than 30 percent of area median income, with
3 adjustments for smaller and larger families, as
4 determined by the Secretary.

5 (4) MANUFACTURED HOME.—The term “manu-
6 factured home’” has the meaning given such term
7 in section 603 of the National Manufactured Hous-
8 ing Construction and Safety Standards Act of 1974
9 (42 U.S.C. 5402) and such term includes any struc-
10 ture that meets such definition without regard to
11 when it was constructed or manufactured. Such
12 term includes single- and multi-section manufac-
13 tured homes.

14 (5) MODULAR HOME.—The term “modular
15 home” means a home that is constructed in a fac-
16 tory in one or more modules—

17 (A) each of which meet applicable State
18 and local building codes of the area in which
19 the home will be located; and

20 (B) that are transported to the home
21 building site, installed on foundations, and com-
22 pleted.

23 (6) QUALIFIED NONPROFIT ORGANIZATION.—
24 The term “qualified nonprofit organization” means
25 any private, nonprofit organization (including a

1 State or locally chartered nonprofit organization)
2 that—

3 (A) is organized under State or local laws;

4 (B) has no part of its net earning inuring
5 to the benefit of any member, founder, contrib-
6 utor or individual;

7 (C) complies with standards of financial
8 accountability acceptable to the Secretary; and

9 (D) has among its purposes significant ac-
10 tivities related to the provision of decent hous-
11 ing that is affordable to low-income families.

12 (7) SECRETARY.—The term “Secretary” means
13 the Secretary of Housing and Urban Development.

14 (8) STATE.—The term “State” means the
15 States of the United States, the District of Colum-
16 bia, the Commonwealth of Puerto Rico, the Com-
17 monwealth of the Northern Mariana Islands, Guam,
18 the Virgin Islands, American Samoa, the Trust Ter-
19 ritory of the Pacific Islands, and any other territory
20 or possession of the United States.

21 (9) UNIT OF GENERAL LOCAL GOVERNMENT.—
22 The term “unit of general local government” means
23 a city, county, town, township, parish, village, or
24 other general purpose subdivision of a State, or a
25 consortium of such political subdivisions.

1 (g) REGULATIONS.—The Secretary may issue any
2 regulations necessary to carry out the program under this
3 section.

4 (h) AUTHORIZATION OF APPROPRIATIONS.—For
5 grants under this section, there is authorized to be appro-
6 priated \$50,000,000 for each of fiscal years 2018 through
7 2027.

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