



MANUFACTURED & MODULAR HOME ASSOCIATION OF MINNESOTA

Opening doors to better living.

March 1, 2022

Dear Chair Draheim and Members of the Committee:

I am writing on behalf of the members of the Manufactured & Modular Home Association of Minnesota regarding SF3413/HF3620, in seeking the Committee's support for passage of the bill, to assist in alleviating the shortage of licensed manufactured home installers and workforce housing.

The MMHA was formed in 1951 and represents manufactured home and modular home builders, manufactured home installers, model home sales centers, and speaks for Minnesota's nearly 1,000 privately owned manufactured home communities. Manufactured and modular homes are Minnesota's largest source of non-subsidized workforce housing.

The bill addresses Minnesota's shortage of licensed manufactured home installers, (approximately 70+ licensees), required to install both new and used manufactured homes on their permanent foundations. It would allow any of Minnesota's 11,000 licensed residential building contractors to install used manufactured homes, by completing 3-hours of approved education, related to manufactured home installation, as described in the Author's amendment.

Under a 2020 DLI scope of work interpretation covering all contractor type licensees, (see page 2), residential contractors are permitted to make repairs, structural alterations, and do roofing work on used manufactured homes, without needing additional testing, training, or education. The Minnesota State Building Code also allows homeowners to do the installation of a used manufactured home, when securing necessary permits and inspections.

The bill allows residential contractors to only install used manufactured homes, versus new manufactured homes, as new home installations fall under federal regs and require a licensed manufactured home installer, CFR3280 and CFR3286. After the first sale and installation of a new manufactured home, state law then applies to the installation of used manufactured homes.

Minnesota's four manufactured home plants are all building at capacity while struggling through significant lumber and supply-chain shortages. Once a new manufactured home passes final inspection and is ready to be sited on its foundation, scheduling one of Minnesota's 70+ licensed manufactured home installers to do the work can cause delays and creates uncertainty in setting closing and occupancy dates. The intent of the bill is to help free-up the availability of existing licensed manufactured home installers to complete new home installations, by expanding the pool of licensees to install used manufactured homes. Minnesota's four manufactured home plants are located in Redwood Falls, Montevideo, Worthington, and Red Lake Falls.

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Finally, Minnesota's four manufactured home plants are also the largest residential builders of new modular homes. The Minnesota State Building Code requires that new modular homes be installed by a licensed residential contractor. Hence, the bill dovetails nicely into current law by allowing an existing subset of residential contractors who install modular homes, to also install used manufactured homes.

I would be glad to provide any clarifications to our comments and look forward to working with the Committee as the bill advances. Thank you.

Sincerely,



Mark Brunner

President

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MANUFACTURED HOME PERMISSIBLE SCOPE OF WORK GRID

SCOPE	INSTALLER	BUILDING CONTRACTOR*	REMODELER*	ROOFER*
Installation	YES	NO	NO	NO
Repair	YES	YES	YES	NO
Alteration	YES	YES	YES	NO
Roofing	YES	YES	YES	YES

*Includes licensees as well as certificate of exemption holders