

Manufactured Housing Consensus Committee

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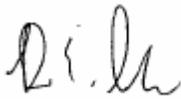
Re: Docket No. FR 4813-P-02; HUD-2005-0038
RIN 2505 – AH
Manufactured Housing Dispute Resolution Program

The following comments, shown in the enclosure are submitted on behalf of the Manufactured Housing Consensus Committee (MHCC) and reflect the actions taken by the MHCC during their meeting held 29 November – 1 December, 2005 regarding these proposed rules.

As a point of information, the MHCC is recommending these changes to clarify that dispute resolution is all about getting known problems corrected when there is a dispute within the industry as to who should correct the problem. While this may be one issue to be resolved in a consumer assistance program, it is not the primary focus of a consumer assistance program that is centered on helping consumers reach resolution with respect to getting problems with their home corrected. In addition, most consumer assistance programs including dispute resolution programs for the industry will be state administered. Thus, any required wording in a manufacturer's consumer manual should recognize this fact.

The MHCC asks that the Department consider these comments as you proceed toward final rule adoption.

Sincerely,



Robert E. Solomon, PE
Project Manager
Administering Organization

RES/vc

C: MHCC Members

ENCL: MHCC Comments – 4813-P-02

MHCC RESPONSE TO PROPOSED DISPUTE RESOLUTION PROGRAM

24 CFR Parts 3280, 3282 and 3288 [Docket No. FR-4813-P-02; HUD-2005-0038]

RIN 2502-AH98

Manufactured Housing Dispute Resolution Program

PAGE/COL/PAR	SUGGESTED REVISION	REASON
61185/ 1 /3282.207(e) 2 nd line	Delete “or its equivalent”	To make the language in consumer manuals regarding dispute resolution uniform and consistent
61185/ 1 /3282.207(e) 2 nd para, 1 st line	Change “dispute resolution” to “consumer assistance”	To clarify that States have a consumer assistance program that covers more than dispute resolution for the industry
61185/ 1 /3282.207(e) 2 nd para, 5th line	Insert “Part of a state consumer assistance program may include a process to resolve a dispute among a manufacturer, retailer and installer identifying who will correct a defect	To clarify that the dispute resolution process is one element of the consumer assistance program in many states.
61185/ 1 /3282.207(e) 2 nd para, 6 th line	Change “program” to “process”	To clarify that dispute resolution is one process in a consumer assistance program.
61185/ 1 /3282.207(e) 2 nd para, line 12-17	Delete “to determine whether ... HUD website”	Language is not needed; the phone number and the website have automatic referral to operating state programs.
61185/ 1 /3282.207(e) 2 nd para, line 20	Insert “consumer assistance, including” after “request” and before “dispute resolution”	To conform with the changes made to the language in the consumer manual
61185/ 1 /3282.207(e), end of 2 nd para,	Add “See the Appendix for instructions regarding the HUD Manufactured Housing Dispute Resolution Program.”	To clearly separate the required language to be included in a consumer manual from the instructions for the HUD dispute resolution program that only

PAGE/COL/PAR	SUGGESTED REVISION	REASON
		operates in HUD-administered states.
61185/ 1 /3282.207(e), 3 rd para to end of section	Move these instructions for the HUD program to an Appendix to the rule	The instructions only apply to the HUD program in HUD-administered states. Most of the dispute resolution programs will be administered as part of a state program.
61185/3/PART 3288 Heading and all subsequent paragraph numbering	Change “3288” to “3282”	This rule should be included in Part 3282 rather than a new subpart. The state consumer assistance programs fall under 3282 and the HUD program should also to be consistent. The MHCC believes that there should only be two parts to the HUD Manufactured Housing regulations – Construction and Safety Standards (3280), and, Procedural and Enforcement Regulations (3282).
61185/3/ top para, line 3, 6, 8; Subpart C Heading; para 3288.105 and 3288.110 titles	Change “Commercial Opt-Out” to “Voluntary Compliance”; “Opt-Out” to “Voluntary Compliance”	Voluntary compliance better connotes the concept that the parties are going to <u>voluntarily</u> follow the dispute resolution process, including the right of the homeowner to initiate action.
61186/2/3288.3	After the definition of “Homeowner” insert “Installer, for the purpose of dispute resolution, means any person involved in installing the home.”	To clearly define who is an installer in the Dispute Resolution program.
61186/2/ 3288.15(a) title	Change “Eligible parties” to “Initiation of action”	To establish the concept of who may initiate the process
61186/2/3288.15(a); line 7	Insert “”action” after “initiate”; change “participate” to “be	To make clear that a homeowner is not a party

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	an observer”	but may initiate action and be an observer in the process and receive all the information.
61186/3/ 3288.25, last line	Insert “or the homeowner” after “parties”	To make clear that a homeowner may initiate the HUD dispute resolution process.
61187/1/3288.30(a), line 4	Insert “within five days” after “will”, before “review”	To ensure that the screening is done in a timely period and let the homeowner know what the period is.
61187/2/3288.35(c), last line	Insert “and the homeowner” after “parties”	To keep the homeowner informed
61187/2/3288.40(a), line 3	Insert “or the homeowner” after “party”	To preserve the homeowner’s right to keep the dispute resolution process moving to a conclusion.
61187/3/3288.45(a), line 4	Delete “and the record... the recommendation” and insert “and take appropriate action, which may include an order, within 30 days”	To provide the homeowner with a timely final action.
61187/3/3288.45(a), line 10	Insert “and the homeowner” after “parties”	To keep the homeowner informed
61188/1/Subpart C title; 3288.100, line 13; line 21; section 3288.105 title; 3288.105(a) line 1	Change “Commercial Opt-Out” to “Voluntary Compliance”; “Opt-Out” to “Voluntary Compliance”	Voluntary compliance better connotes the concept that the parties are going to <u>voluntarily</u> follow the dispute resolution process, including the right of the homeowner to initiate action.
61188/1/Subpart C title; line 13; line 21	Change “opt-out participants” to “parties”	To conform with above change
61188/2/section 3288.110; 3288.110(a), line 2	Change “Opt-Out” to “Voluntary Compliance”; “Commercial Opt-Out” to “Voluntary Compliance”;	Voluntary compliance better connotes the concept that the parties are going to <u>voluntarily</u> follow the dispute resolution process, including the right of the homeowner to initiate action.

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61188/2/ Subpart D title	Delete "in Non-HUD Administered States"	The requirements in Section 3288.205 section should also apply to state-plan states
61188/3/3288.205(d), Line 2	Delete "and to have homeowner interests protected"	The dispute resolution program is a program for resolving disputes among industry, not a consumer protection program.
61188/3/3288.205(e)	Delete (e) and renumber (f)	The state processes should make the determination for funding and personnel; HUD can determine whether the state is meeting the requirements in 3288.205(a)-(c)
61188/3/3288.205(f), line 2	Delete "which ensure ... particular dispute".	States must have access to the knowledge in industry regarding manufacturing and installation in order to determine who may have caused the problem
61188/3/3288.210	Entire section should be rewritten to clarify that there are several situations that may be encountered; state-plan states with a dispute resolution program; states without a state plan but have a dispute resolution program that complies and HUD wishes to allow a state to operate a program in lieu of HUD operating a program; state-plan states that have a separate dispute resolution program but wants to also have a HUD program; and states that have no program. Irrespective of the situation, every program must meet the requirements of section 205.	The MHIA of 2000 requires any State with State plans to add dispute resolution for any State plan submitted 5 years after date of enactment. All other States can operate a program if HUD lets them. State plan States have specific HUD oversight authority outlined in the MHIA of 2000 for those elements in the State plan. The oversight authority should not be confused with any oversight wishes to perform for dispute resolution programs not in a State approved State plan.
61190-61191	The form should conform to the changes in the text of the	

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	rule	