



Manufactured Housing Division

*Texas Department of Housing
& Community Affairs*

**Executive Summary
and FY 2024 Report**



Manufactured Housing Division

The Manufactured Housing Division (MHD) of the Texas Department of Housing and Community Affairs administers the Texas Manufactured Housing Standards Act. Because of its regulatory nature, MHD has its own board and executive director. The policy-making body of the Division is a five-member board, appointed by the governor with the advice and consent of the Texas Senate. The members hold office for staggered terms, with the terms of two or three members expiring on January 31 of each odd-numbered year. Members must be registered voters and may not hold another public office. These are non-salaried positions, and the Governor designates the chair.

Board Member	Term Expires	Hometown
Chair Ronnie M. Richards	<i>1-31-2029</i>	Clear Lake Shores
Jason R. Denny	<i>1-31-2025</i>	Austin
Joe Gonzalez	<i>1-31-2027</i>	Round Rock
Sylvia L. Guzman	<i>1-31-2025</i>	Spring
Keith C. Thompson	<i>1-31-2029</i>	Lubbock
Executive Director Jim R. Hicks	<i>At the pleasure of the Manufactured Housing Division Board</i>	Georgetown



Image: Morgan

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AGENCY MISSION

WHO WE ARE

The Texas Department of Housing and Community Affairs, through its Manufactured Housing Division (the “Department”) regulates the manufactured housing industry in Texas. It administers the Texas Manufactured Housing Standards Act (the Standards Act) and acts as HUD’s state supervisory agent to administer certain aspects of the National Manufactured Housing Construction and Safety Standards Act of 1974 (the Federal Act).

Under its current agreement with HUD, the Department administers parts of the Act, which involve:

- Monitoring manufacturers' performance in handling consumer complaints;
- Searching for and, when warranted, initiating class action cases;
- Performing post-production monitoring of manufactured homes produced and/or shipped to Texas; and
- Monitoring licensed retailers.

The Standards Act assigns additional responsibilities to the Department for:

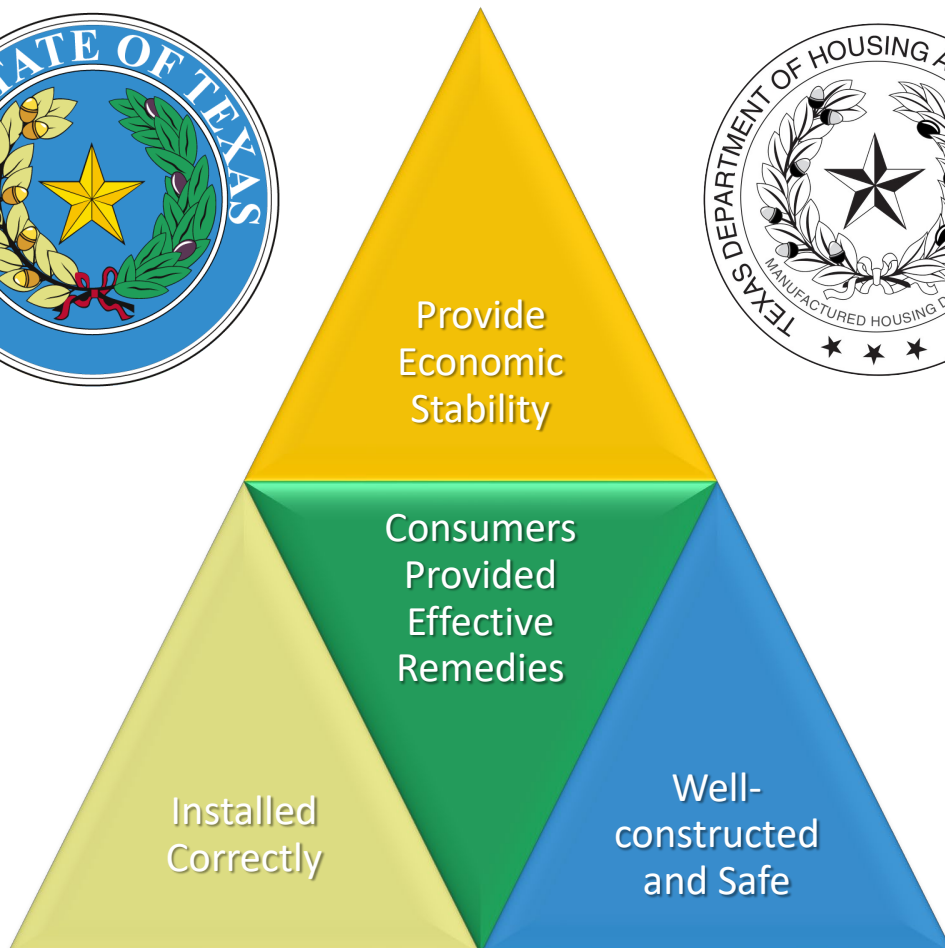
- Maintaining records of ownership, location, and real or personal property status;
- Recording and releasing liens;
- Conducting training and issuing licenses to persons in the manufactured housing industry;
- Performing installation inspections;
- Issuing state seals;
- Investigating and resolving consumer complaints under the Standards Act;
- Investigating and taking appropriate action against violators of the Standards Act and Administrative Rules; and
- Administering the Manufactured Homeowner Consumer Claims Program.



AGENCY MISSION

WHAT WE BELIEVE

The Manufactured Housing Standards Act tasks the Department with ensuring that manufactured homes are **well-constructed and safe**, **installed correctly**, that **consumers are provided fair and effective remedies**, and that measures are taken to **provide economic stability** for the Texas manufactured housing industry.





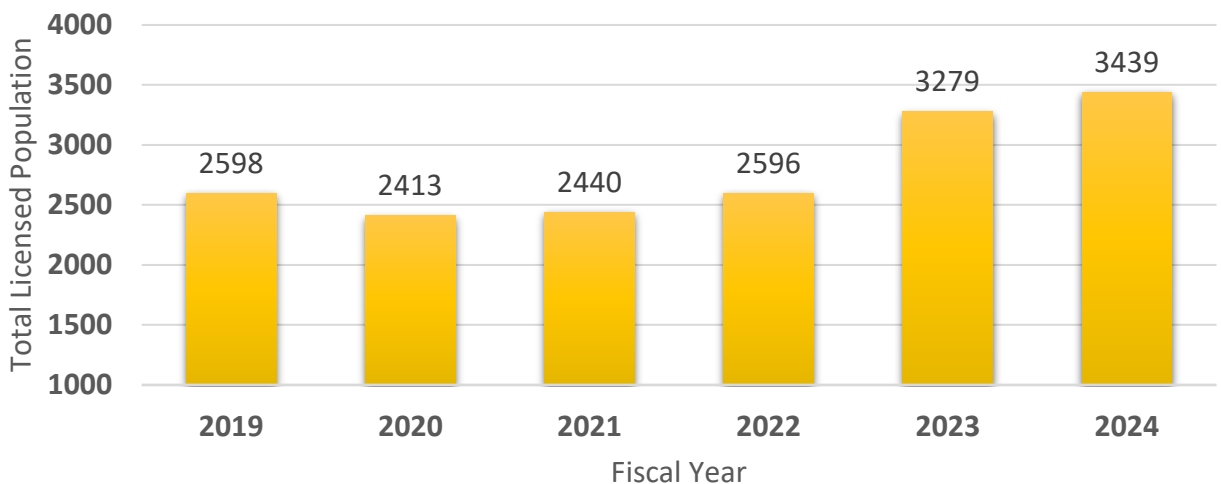
AGENCY MISSION

WHO WE REGULATE

The Department has demonstrated our ability to successfully streamline licensing programs and provide our popular online licensing courses.

In recent years, the Division has continued to issue licenses, while at the same time monitoring and educating an increasing total number of licensees in the state of Texas.

Growth in Total Licensee Population, FY 2019-24





AGENCY MISSION

Licensees, by Type

The Manufactured Housing Division offers eight types of licenses, including three combination licenses, as shown in the table. This is a snapshot of our total licensee population for FY 2024, showing the growth and turnover in the personnel of the industry.



License Type	Total Active Licenses, FY24	Total NEW Licenses, FY24	Total RENEWED Licenses, FY24
Salesperson (S)	1,964	720	587
Broker (B)	17	3	4
Retailer (R)	81	11	37
Installer (I)	200	17	82
Manufacturer (M)	49	0	28
Retailer/Broker (R/B)	48	4	19
Retailer/Installer (R/I)	318	59	103
Retailer/Broker/ Installer (RBI)	762	78	360
TOTAL	3,439	874	1,192



**TEXAS DEPARTMENT OF
HOUSING & COMMUNITY AFFAIRS**
Building Homes. Strengthening Communities.



AGENCY MISSION

HOW WE DO IT: Functional Alignment

Each functionally-aligned area works in concert with:

- The Office of the Governor;
- The Texas Legislature; and
- Local Municipalities



The Division is separated into several different program areas to better serve our populations:

- Customer Service;
- Production (Processing of Statements of Ownership);
- Compliance and Regulations;
- Field Operations;
- Document Control and Tax Liens;
- Financial Administration; and
- Training.





AGENCY MISSION

HOW WE DO IT: Functional Alignment

Executive Office: The Executive Director provides leadership and motivation to achieve our strategic goals and manages day-to-day operations via the Director of Operations. Implements objectives and ensures compliance with initiatives and laws. General Counsel provides legal guidance to all operations, as well as advising the office, preparing and filing orders in cases, and coordinating with other advisory boards and staff on compliance with the applicable laws. CFO and associated staff analyzes data on cash flow and analyzes financial strengths and weaknesses to improve by proposing corrective actions, and oversees the procurement of revenue and processing of mail received by the agency.

Customer Service: CS responds to customer contacts, answering questions about Department programs and processes, educating and assisting consumers as they apply for Statements of Ownership (SOs), and assisting customers in calculating the amount of fees associated with transferring specific SOs. Customer Service Representatives are the first and often only point of contact with the agency, ensuring that consumers are educated as to which documentation and fees are required to obtain their SO. CS reps handle over 100,000 interactions per year impeccably, including phone calls, emails, and walk-in customers. The Customer Service Supervisor and Lead analyze pain points and work toward improvements, experimenting with new processes to offer better service to customers.

Production: Assists individuals in need of a Statement of Ownership (SO). Production guides customers to submit documents required for the issuance of the SO. Processors analyze applications to determine if sufficient chain of ownership is provided, ensuring that the necessary supporting documentation is included, per Texas Law and Rules. If an applicant submits an application that needs further documentation or clarification, processors either reach out to the party involved, or send a Request for Additional Information (RAI) to obtain documentation. Once an application is deemed complete, the application is proofed for typos and an SO is issued.

Field Operations: With inspectors being stationed all across the state, Field Operations is the inspection arm of the department. Manufactured home installation, consumer complaint, habitability, migrant labor housing, and various other types of inspections are conducted by this unit in an objective, thorough, and timely manner to ensure compliance with all applicable state and federal requirements. The effect of these efforts leads to a safe, durable, and affordable housing option for residents in the state, and a business environment where licensees are held to a uniform standard.

Compliance and Regulations: Handles Installations, Complaints, and Enforcement. Inputs the data associated with the installation of homes ("Form Ts"). Promptly resolves complaints against regulated populations with due process through the collaborative efforts of the administrative and legal staff. Staff reflects the life cycle of a typical complaint, and includes parts of the inspections unit, investigations, and executive members, as it moves through the enforcement process. Licensing oversees requirements and answers questions for new licensees. Processes and reviews applications and issues licenses to qualified individuals and businesses in accordance with statutory requirements including analyzing a background check for each applicant.

Document Control: Ensures that documents are preserved to meet the State's Retention Schedules and other applicable laws. All SO and license applications, as well as RAIs, are scanned and archived. Tax liens are recorded, released, or preserved within the specific timeframe for Texas counties, and we also add any tax liens that have been omitted from previously-issued SOs.

Training: Produces and organizes the Licensing Education Course, now 100% online, which helps ensure compliance through education of our licensed industry professionals: salespeople, retailers, manufacturers, brokers, and installers. Also produces in-house training to ensure that Department employees are kept up-to-date with existing laws as well as new laws that are passed.



AGENCY MISSION

HOW WE DO IT: Location

The Manufactured Housing Division benefits from the efficiency of our close proximity to other state agencies in the Capitol Complex's beautiful George H.W. Bush building, next to the new Capitol Mall in Austin.

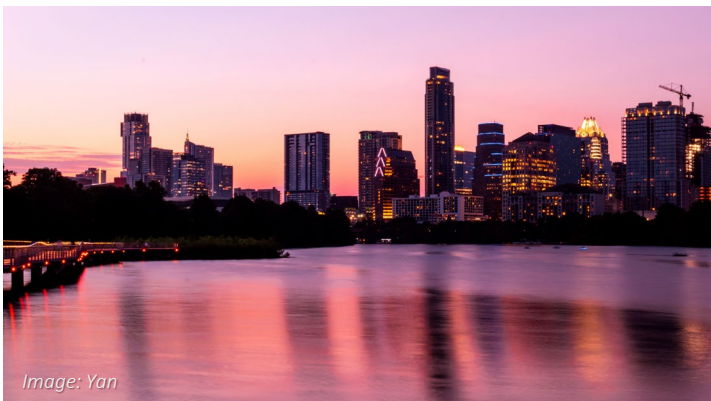


Image: Yan



FY 2024 Progress

WORKLOAD MEASURES





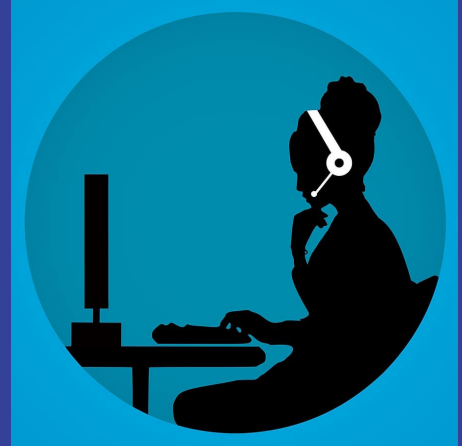
FY 2024 Progress

Core Work: *Customer Service Department*

The Manufactured Housing Division's Customer Service Department facilitated

over **82,000**

customer service interactions this year, including the following:



10,573

Customer Service E-mails Answered



65,307

Customer Service Calls Received



1,746

Walk-In Customers



5,047

Compliance & Regulations Calls Answered

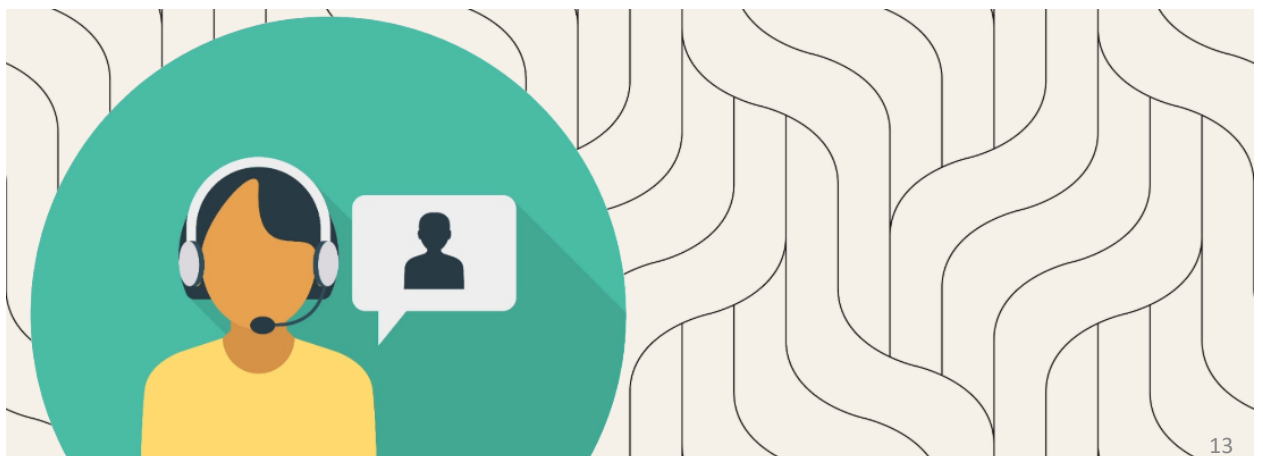


FY 2024 Progress

Core Work: Customer Service Department

CUSTOMER SERVICE – CALLS AND WALK-IN DATA

	FY2024	FY2023	FY2022
Incoming Calls – English	60,910	71,840	73,879
Incoming Calls – Spanish	4,397	2,480	5,138
Total Calls Received	65,307	74,320	81,891
Total Calls Answered	59,261	63,465	57,136
Percentage of incoming calls answered	91%	85%	70%
Walk-In Customers	1,746	1,640	2,334





FY 2024 Progress

Core Work: Processing



	Applications for SO Rec'd	Avg. Application Processing Time	Statements of Ownership Issued
FY 2024	83,305	4 days	55,590
FY 2023	86,499	4 days	54,229
FY 2022	85,930	4 days	57,114
FY 2021	74,913	3 days	53,217





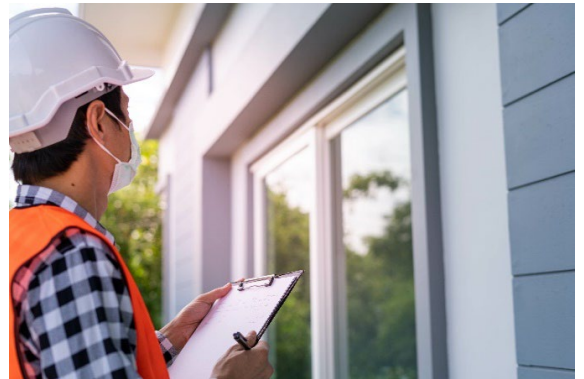
FY 2024 Progress

Core Work: Installations & Inspections

17,274
installations
recorded

16,780
inspections
attempted
(97%)

99% of
inspections
completed
within 60
days



SAA Plant Monitoring

44
Manufactured
housing plant
inspections
completed

38%
Increase in
inspections,
compared with last
Fiscal Year

628%
Increase in
inspections,
compared with 2
Fiscal Years ago





FY 2024 Progress

Core Work: Inspections

INSTALLATION INSPECTIONS

	FY2024	FY2023	FY2022
Reported Installations	17,274	17,969	18,851
Attempted Installation Inspections	16,780 (97%)	17,558 (98%)	18,522 (98%)
Successful Installation Inspections	15,697	15,666	16,698
Unsuccessful Installation Inspections	1,261	1,889	1,826
Success Rate	90%	88%	89%
% of Inspections within 45 day self-imposed goal (90%).	98%	97%	86%
% of Inspections within 60 day self-imposed goal (95%).	99%	99%	92%

DEVIATIONS SUMMARY

	FY2024	FY2023	FY2022
Footings	59	20	26
Site Prep	42	66	67
Anchors	153	152	188
Home Connections	28	30	54
Piers	57	69	102
Ties	120	164	135
Crossover Connection	89	115	169
Pier Placement	202	135	116
Skirting (New Home)	17	31	34
Weatherproofing	138	169	341
TOTAL	905	951	1,232

DEVIATIONS BY REGION

	FY2024	FY2023	FY2022
DFW	55	82	101
Edinburg	42	38	33
Houston	57	143	290
Lubbock	19	33	45
San Antonio	190	152	112
Tyler	63	124	158
Waco	177	160	129
TOTAL	603	732	868







Image: SHELL



FY 2024 Progress

Core Work: Licensee Compliance Reviews

 Year (FY)	 Installers	 Retailers	 Total
2024	102	586	688
2023	66	572	638
2022	39	437	476





FY 2024 Progress

Core Work: Compliance Inspections

INSPECTIONS

CONSUMER COMPLAINT INSPECTIONS	FY2024	FY2023	FY2022
Consumer Complaint Inspections Conducted	328	362	455
Inspections beyond 30 days	0	13	3
OTHER INSPECTIONS	FY2024	FY2023	FY2022
Habitability Inspections	357	365	459
Retailer Damage Assessments of Damaged Homes	669	9	59
Installation Inspections for FEMA	0	0	0
Installation Inspections for GLO	0	0	0
Migrant Labor Facility Inspections for TDHCA	215	224	253

LICENSEE COMPLIANCE REVIEWS

SAA PLANT INSPECTIONS

	FY2024	FY2023	FY2022		FY2024	FY2023	FY2022
Retailer	586	572	437	Manufacturers	44	32	7
Installer	102	66	39				
Total	688	638	476				





FY 2024 Progress

Core Work: Document Control

TAX LIENS			
	FY2024	FY2023	FY2022
Manually Entered	1,995	1,132	857
Manually Released	1,779	1,701	5,251
Electronically Entered	207,832	215,319	217,826
Electronically Released	92,549	93,325	98,796
Removed for Exceeding 4 Years	120,973	127,030	109,645





FY 2024 Progress

Core Work: Licensing & Training

Issued **2,066**
(100%)

New/Renewed Licenses
within 7 days (1.5 days avg)



Licensing Education Course (LEC)

Core LEC – 839 students (+11%, over FY23)

Retailer LEC – 191 students (+13%)

Installer LEC – 196 students (+17%)

Total – 1226 LEC classes (+12%)

8,260 hours of education provided (+11%)

NEW!

Proctored Exams
for Licensing
Education
Courses to Debut
FY2025

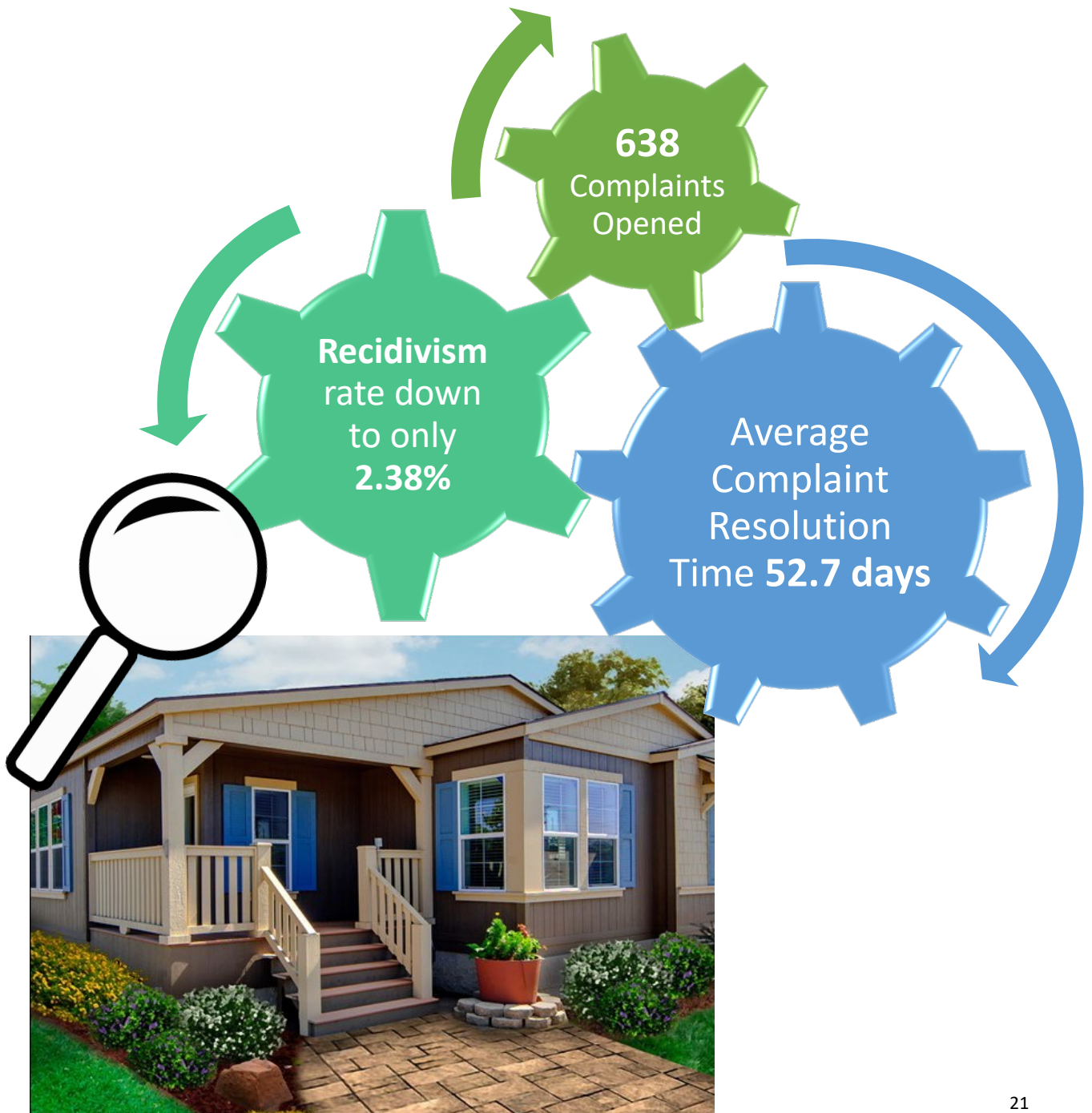
+5%

Increase in active
licensed population
over FY23



FY 2024 Progress

Core Work: Enforcement





FY 2024 Progress

Core Work: Enforcement

ENFORCEMENT			
	FY2024	FY2023	FY2022
Director's Disciplinary Meeting	0	4	6
Alternative Dispute Resolution	0	0	1
Hearings Held	0	2	0
Orders Issued	87 (69 warning letters)	81 (71 warning letters)	94 (87 warning letters)
Avg. Case Resolution (Days)	52.7	47	77
Illegal/Unlicensed Activity	78 (78 Internal Sources, 0 Consumers)	78 (68 Internal Sources, 10 Consumers)	85 (76 Internal Sources, 9 Consumers)
Administrative Penalties	\$7,500.00 (6 Respondents)	\$6,250.00 (5 Respondents)	\$4,050.00 (4 Respondents)

HOMEOWNER CONSUMER CLAIM PROGRAM			
	FY2024	FY2023	FY2022
Paid	\$88,961.21	\$0	\$7,950.00
Reimbursed	\$87,191.20	\$6,874.44	\$7,950.00

DISMISSED CASES			
Reasons for Dismissed Cases	FY2024	FY2023	FY2022
Resolved prior to Violation	46	36	32
Corrected in Field	333	397	340
Issued SO (Licensee out of business)	8	8	1
Consumer Withdrew Complaint	4	5	3
Dismissed - Lack of Evidence	57	62	31
Out of Warranty	44	51	26
Opened in Error/Duplicate	9	3	9
TOTAL	455	562	410

FY 2024 Progress

DIVISION ACCOMPLISHMENTS





FY2024 Accomplishments

Technology

Work with IS to expand the GoCanvas application to include the recordation of other inspections conducted by the Department.



Status: Accomplished.

- *First full year of production for the GoCanvas application.*
- *Resulted in significant improvements in efficiency, production, and quality of inspections, primarily due to reductions in amount of administrative hours required by the inspector and the automation of the process to document inspection findings.*
- *Hours gained back were redirected to performing more installation and compliance review inspections.*
- *Staff are currently beta testing and providing feedback to Information Services regarding the development of Habitability Inspection integration into the GoCanvas app.*





FY2024 Accomplishments

Technology

Work with IS to enhance our current Exodus database system.

Status: Accomplished.

1. Enhanced the search capabilities of Exodus Report #2 showing homes in a region by a search parameter.
2. Enhanced the Notice of Installation (NOI) editing capabilities for error corrections.
3. Enhancement to correct inaccurate info on Non-Accessible (NAC) inspections.
4. Enhanced Exodus to accurately calculate Consumer Complaint Over 30 Days Report.

Work with IS to generate new report function.

Status: Accomplished.

- New **production report function** was created online for the public to be able to pull **manufacturing** production reports.





FY2024 Accomplishments

Education

Continue to update educational and training opportunities for employees, consumers, license holders and/or other industry partners.



Status: Accomplished.

- 1. Instructional video tutorial was created for field staff that demonstrates the steps to entering consumer complaint inspection scheduling information.*
- 2. Field Operations began an initiative to consistently arrange in-person training opportunities between senior level inspectors and lesser-experienced inspectors on a monthly basis to enhance training. The in-person training includes all aspects of their duties as well as coordinated training visits to manufacturing facilities.*
- 3. Created 12 inspection training exams for field inspectors.*
- 4. Revamped internal training for LEC (Licensing Education Class) enrollments and Completions for employees including a new visual guide.*
- 5. New training materials gathered and assembled for the Management Analyst role, timelines, resources, and tasks have been assembled for MHD Board Secretary duties and LBB reporting and calculations, rulemaking and posting to the Texas Register procedures.*



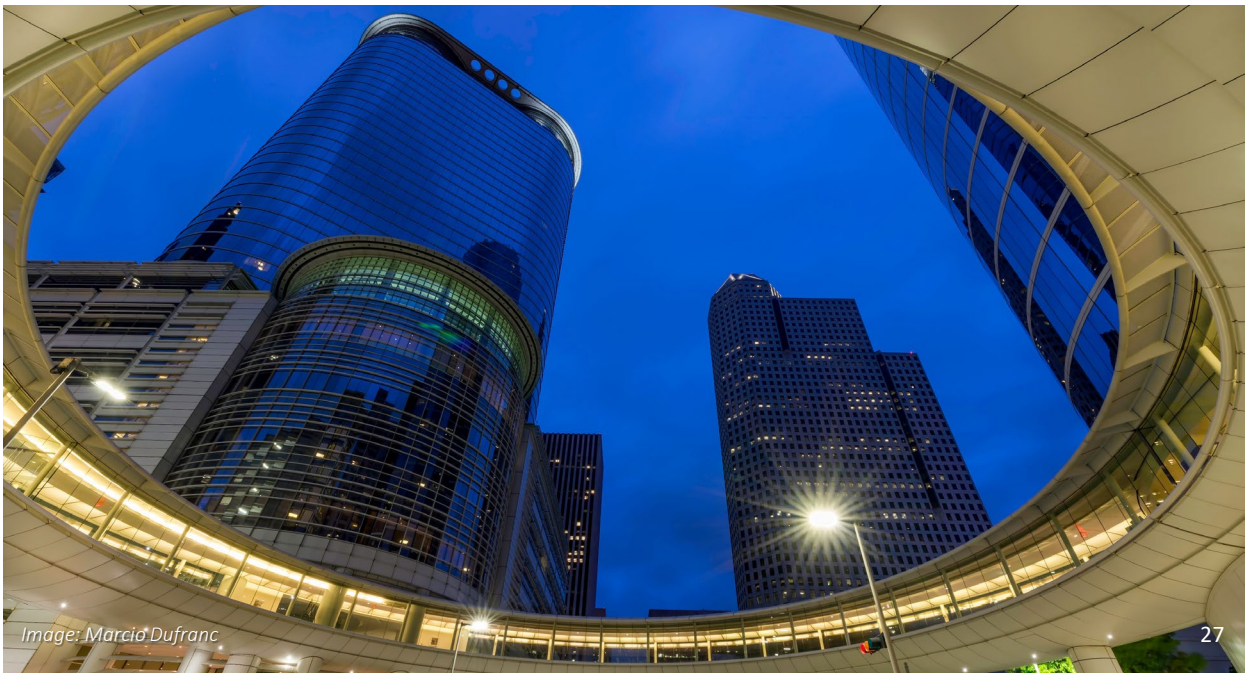
FY2024 Accomplishments

Education

Continue to review and update the LEC to enhance the learning process.

Status: Accomplished. *The online classes have been enhanced in the following ways:*

- *All three LEC courses have been updated. Information in the course reflects new requirement to register for proctored licensing exams.*
- *New courses compared to last Fiscal Year are the 4-hour Retailer and 4-hour Installer Licensing Education Courses.*
- *All courses are up to date on laws, rules, and forms, and easily updatable by E-Learning Specialist for future Rule or Law changes.*
- *New LEC courses, including test registration; examination appointments begin FY2025*





FY2024 Accomplishments

Education

Implement onboarding training program for new employees and conduct general training to existing staff to improve consistency of knowledge and information provided to the public.

Status: Accomplished. A new onboarding course was created for new staff hired at the Manufactured Housing Division.

- Based on our Core LEC 2.0, the course covers all topics that would be pertinent to people hired that are new to the Department and new to the Manufactured Housing industry.
- New course covers the Manufactured Housing Division Overview (which includes the history of the Department and of the industry, as well as defining what makes for a HUD-Code Manufactured Home), then going deeply into the MHD's governing Law and Rules, including the roles of licensees to the MHD, and what each of their responsibilities are, and finishing with a close-up view of the most common difficulties external individuals find with applications for Statements of Ownership, and finally, an un-proctored, open-book/open-notes exam to test their knowledge.





FY2024 Accomplishments

Efficiency

Ensure that a minimum of 95% of Notices of Installations received by the department are attempted for inspection.

Status: Accomplished. We have maintained a **97% attempted inspection rate** in FY2024.

Ensure that a minimum of 90% of attempted installation inspections result in a successful inspection.

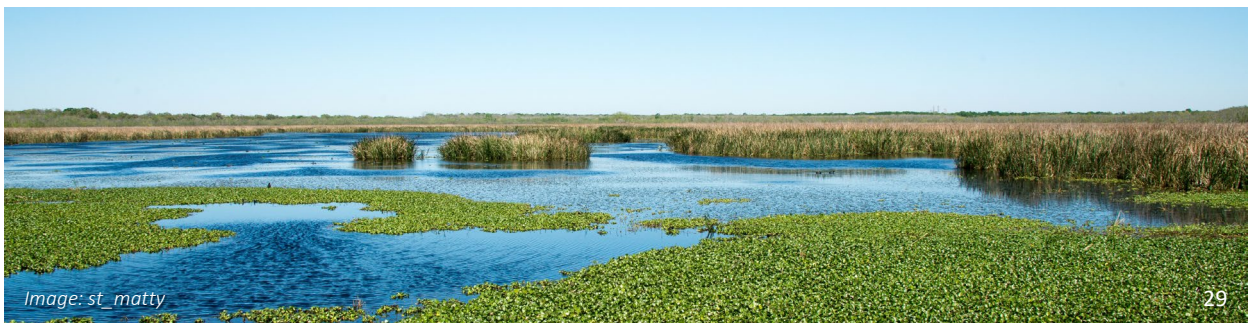
Status: Accomplished. We have maintained a **92% successful installation inspection rate** in FY2024, a 2% improvement over FY23.

Ensure that a minimum of 90% of attempted installation inspections are conducted no later than 45 days from receipt.

Status: Accomplished. **98.5%** of successful installation inspections were conducted **within 45 days**, a 1.5% improvement over FY23.

Ensure that a minimum of 95% of attempted installation inspections are conducted no later than 60 days from receipt.

Status: Accomplished. **99.5%** of all installation inspections were conducted **within 60 days**.





FY2024 Accomplishments

Efficiency

Improve the current call answer rate to 80%.



Status: Accomplished. We *improved* our *call answer rate* from 70% in FY2022, to **85%** in FY2023, and **91%** in FY2024.

Maintain statement of ownership application processing time of 7 days.

Status: Accomplished. 100% of all completed applications were processed within 7 days, with an average processing time of **4 days**.

Maintain complaint resolution time below 90 days.

Status: Accomplished. We maintained a *case resolution time* at an average of **52.7 days**.





FY2024 Accomplishments

Leadership

Continue focus on employee morale and innovative ways to recognize staff for their contribution.



Status: Accomplished. Have accomplished this via several measures:

- hosted multiple staff **breakfasts and luncheons**;
- granted **administrative leave time** before and after major holidays;
- allowed employees to wear **jeans** in winter and **shorts**;
- purchased new **equipment**;
- Increased **salaries**;
- Issued **one-time merit bonuses** to staff based on their evaluation score and longevity with the agency.

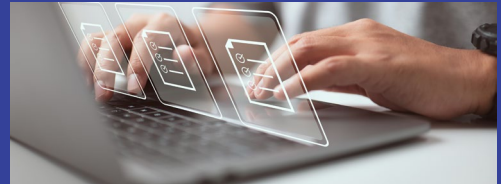




FY2024 Accomplishments

Strategic Initiatives

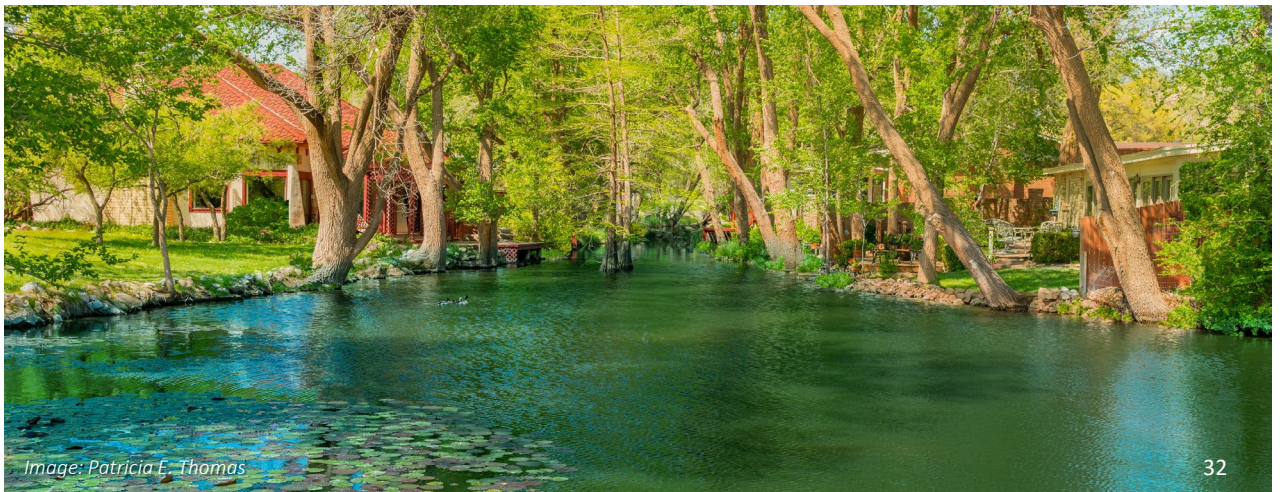
Updated SOPs and forms



- *Updated forms allow for easier data entry with fewer errors*
- *Updated SOPs ensure clearer communication between management and employees of procedures*

Increased SAA in-plant inspections by 63% over FY2023

- *Due to the **improved efficiencies** in the field by use of the GoCanvas app, we were able to increase our inspector-led compliance reviews by 83% over FY2023*
- *We were also able to reduce our number of installation inspections that exceeded our self-imposed time limits by 78%.*
- *Overall compliance monitoring increased by 294%.*





FY2024 Accomplishments

Strategic Initiatives

Staff Training

- **Held onboarding training for new staff**
 - Training utilized new online course.
- **Cross-trained** multiple employees in new areas.
- **Trained two additional state administrative agency (SAA) investigators** to complete plant inspections.
 - **Increased plant inspections by 100%.**
- Trained more **inspectors** to conduct licensing compliance reviews.

External Training

- **Provided more external training** to multiple mortgage and title companies.



Image: Wangkun Jia

FY 2025 DIVISION GOALS *and* ACTION PLAN

**WHERE WE ARE GOING
and HOW WE GET THERE**





FY2025 Goals & Action Plan

Overall MHD-wide goals

- Improve overall efficiency, ensure compliance, and promote effective collaboration between licensing, enforcement, and installation units.
- Focus on streamlining workflows, increasing accuracy, and enhancing team communication and licensees' communication.
- Work with IS as needed to enhance and/or correct system issues within Exodus.

Technology

- Assist Processing and IS in the development and implementation of the enhancement project related to conducting Habitability inspection in GoCanvas.



- Work with Information Systems to enhance the newly-created Production Report System online





FY2025 Goals & Action Plan

Field Operations & Inspections

- Ensure that the department attempts to inspect a minimum of 95% of Notices of Installations (NOIs) received.
- Ensure that a minimum of 90% of attempted installation inspections result in a successful inspection.
- Reduce the average number of days between the receipt of Notices of Installation and the completed inspections.
- Increase the number of Licensee Compliance Reviews conducted by field inspectors by a minimum of 10%.

Customer Service & Processing

- Return Customer Service call answer rate to 95%, as current FY.
- Continue with statement of ownership application processing time at 5 days or under.





FY2025 Goals & Action Plan

Federal Standards

- Continue to ensure that all manufacturing facilities are reviewed twice during FY2025.
- Begin training additional supervisor staff in SAA related duties.
- Work with HUD /IBTS to enhance the Joint Monitoring program.



Compliance & Regulations

- Strive to maintain a low complaint resolution time below **50 days**
- Continue cross-training staff, adding more complicated cases & workload
- Establish communication with licensees regarding PSI testing through regular email updates, to ensure they are informed about new exam requirements for Licensing Education Course (LEC).
- Create and publish a FAQ sheet for placement on the MHD website regarding LEC and PSI information
- Update SOPs





FY2025 Goals & Action Plan

Education

- Expand video tutorials related to specific inspector job tasks, and publish in a readily-accessible training folder.
- Create and administer exams regarding the Administrative Rules and Law for each inspector.
- Create and administer exams regarding the Federal Manufactured Home Construction & Safety Standards for each inspector.



