

Association Warns 'Stunning' Consumers-Business Impacts by DOE Energy Regulatory Stance for HUD Code Manufactured Homes

DOE asserts new regs save low-to-moderate-income households. A Manufactured Housing Assoc 12.12.23: "Stunning and Unworkable"-more cost than claimed savings.

WASHINGTON, D.C., UNITED STATES, December 14, 2023 /

EINPresswire.com/ -- On 5.18.2023 the U.S. Department of Energy (DOE) announced: "new energy standards for manufactured housing — commonly referred to as single-section and multi-section mobile homes — that will help consumers save hundreds of dollars on their annual utility bills..." "DOE's new energy efficiency rules will help the 17 million Americans million

Americans residing in mobile homes up to \$475 per year on average on their utility bills," said U.S. Secretary of Energy Jennifer M. Granholm. "The rules will hold manufacturers of these U.S. homes to cost-saving efficiency standards, giving residents more comfortable living environments and a much-needed break on their annual utility costs..."

[Critics quickly pointed out](#) that mobile/manufactured homeowners won't save a dime because of pending DOE regulations. Regulations only apply to new construction, not existing manufactured homes.

DOE's remarks oddly misused federal terminology while misstating how many millions live in pre-HUD Code mobile homes and manufactured homes (per U.S. Census Bureau estimates: 21.2 to 22 million people).

Perhaps millions qualified to buy a manufactured home would be 'priced out' of buying a new manufactured home according to the National Association of Home Builders (NAHB) "priced out"



"Stunning and Unworkable" said Manufactured Housing Association about DOE's "Extreme" Energy Enforcement Regulations. Would Destroy Affordable Manufactured Homes Per Manufactured Housing Association for Regulatory Reform (MHARR) Added Info With Exclusive I

calculator.

Per DOE's release: "According to DOE estimates from the final rule, individuals can expect to save on average \$177 per year in single-section homes and \$475 per year in multi-section homes on their utility bills."

“

Based on my search, I found no publicly available information on the Manufactured Housing Institute's website regarding the DOE Energy Rule. It appears that they only have member-only items.”

Per Bing AI cited on MHPProNews at linked report.

Realizing the cost per new single section or multi-sectional manufactured home would rise if their pending regulations are implemented, DOE also announced an initiative to reduce the lending costs for buyers.

But per a [Bing AI search reported by Manufactured Home Pro News](#) (MHPProNews.com) some 18 months after the DOE announcement (circa June 2022), there is no evidence that announced initiative for lower cost loans has worked. That noted, DOE announced: "DOE prioritizes access to energy-efficient and affordable housing for all Americans, including the more than 20 million Americans who live in

manufactured homes." "DOE is launching the Manufactured Housing Energy Efficiency and Affordability Initiative to assist states and other partners in improving access to energy-efficient manufactured homes across the United States by creating lower cost financing options for chattel loans."

Critics noted that DOE again failed to get their own two releases to agree on how many millions live in manufactured homes. Nor did DOE correctly explain how existing mobile and manufactured homes aren't impacted by any new standards DOE puts into effect.

Utility Dive reported: "DOE's new rules have been criticized by both efficiency advocates...and home manufacturers, who say it will drive up costs."

Per Bing AI: "Based on my search, I found no publicly available information on the Manufactured Housing Institute's website regarding the DOE Energy Rule. It appears that they only have member-only items."

In contrast, the search tool on the Manufactured Housing Association for Regulatory Reform ([MHARR](#)) website reveals about 16 pages – dozens of reports – publicly available on their website regarding the DOE's pending manufactured home energy rule. MHARR President and CEO Mark Weiss, J.D., and NAR's Scholastica Cororaton asserted that manufactured homes are already energy-saving per federal law.

MHARR reported that at the link below the following. "Just three months prior to the scheduled May 31, 2023 implementation date for the destructive U.S. Department of Energy (DOE) final

manufactured housing “energy conservation” standards rule, the Manufactured Housing Institute (MHI) and the Texas Manufactured Housing Association (TMHA) have filed a court action against the DOE final rule in the U.S. District Court for the Western District of Texas. The lawsuit, filed on February 14, 2023, seeks a stay of the impending implementation of the DOE final rule and other related relief. In both substance and approach, this court action tracks steps specifically urged by MHARR in August 2022.

In the August 2022 MHARR Issues and Perspectives column, entitled “Why the DOE Energy Rule Should be DOA” (see, copy attached), MHARR called on MHI to use its resources to file a court action against DOE seeking an injunction against the May 31, 2023 implementation of the DOE final rule.”

<https://manufacturedhousingassociationregulatoryreform.org/legal-action-filed-on-does-manufactured-housing-energy-rule/>

Per MHARR: “At a time when the entire nation and governments at all levels are desperately seeking to find ways and means to provide affordable housing for American homebuyers, the U.S. Department of Energy (DOE)...published a stunning and unworkable energy enforcement regulation that would undermine...affordable unsubsidized manufactured homes.”

<https://manufacturedhousingassociationregulatoryreform.org/stunning-and-unworkable-does-extreme-energy-enforcement-regulations-would-destroy-affordable-manufactured-homes/>

Attorneys for the Manufactured Housing Institute (MHI) and Texas Manufactured Housing Association (TMHA) filed suit to stop the proposed standards from going into effect. The MHI-TMHA litigation is Case No. 23-cv-00174. MHARR’s remarks seems to agree with what MHI-TMHA attorneys previously said asserting that the DOE regulations would cause “irreparable harm” to manufactured housing. From those pleadings, found at the link below, are the quoted remarks.

<https://www.manufacturedhomeprnews.com/masthead/crow-time-manufactured-housing-institute-mhi-texas-manufactured-housing-association-tmha-file-suit-v-does-mh-energy-rule-regs-case-no-23-cv-00174-docs-mharr-factor-analysis/>

“DOE actually agrees that the interim relief sought by Plaintiffs—postponement of the Final Rule’s May 31, 2023 compliance date—is warranted. DOE, in its recent Notice of Proposed

NAHB Priced-Out Estimates for 2023
March 2023 Special Study for Housing Economics
No Zhao, Ph.D. Economics and Housing Policy

"This article presents the NAHB's 'priced out estimates' for 2023, showing how higher prices and interest rates affect housing affordability. The 2023 US estimates indicate that a \$1,000 increase in the median new home price (\$425,786) would price 140,436 households out of the market. As a benchmark, 96.5 million households are not able to afford a new median priced new home. A \$1,000 home price increase would make 140,436 more households disqualify for the new home mortgage. Elevated mortgage interest rates, together with higher home prices, create affordability challenges, particularly for first-time buyers."

MHPProNews note 1: The number 'priced out' would be greater now, as interest rates have risen since. Note too that MHARR said: "For example, DOE's August 26, 2021 Supplemental Notice of Proposed Rulemaking assumed an annual inflation rate of 2.33%, while its October 26, 2021 Notice of Data Availability reduced the assumed rate to 2.28%. Since that time, however, real annual inflation has soared to 8.3% and remains near its 40-year high. Actual inflation, accordingly, is more than four times the DOE 'estimate,' with purchase price impacts that would materially exceed those estimated."

<https://manufacturedhousingassociationregulatoryreform.org/august-2022-mharr-issues-and-perspectives-why-the-doe-energy-rule-should-be-doa/>

MHPProNews note 2: Per William "Bill" Boor in remarks to Congress on 7.14.2023 regarding the pending DOE energy rule: "Using DOE's analysis which we do think is somewhat flawed, but we didn't change it, we just updated it for current costs, for the vast majority of our homes, it would not get paid back, and the bigger point is that \$7,000 for a customer [would be cost prohibitive]."

<https://www.manufacturedhomeprnews.com/cisco-coc-william-bill-boor-for-nhi-to-congress-esp-distorts-market-v-roanne-bland-martin-lavin-follow-the-money-pay-more-attention/>

MHPProNews note 3: So, per the calculus of the priced-out formula, well over one million Americans who currently could buy a new manufactured home would no longer be able to make the purchase, due to the higher costs.

You can't save money on utilities if you can't buy the home in the first place. But more to the point, both MHI and MHARR agree that the cost-benefits used by DOE are flawed. They would not be repaid through presumed energy savings. Furthermore, modern manufactured homes may already be more energy efficient than millions of rental housing units that potential buyers of manufactured homes may be living in.

"Compared with the unregulated mobile/trailer homes of the past, the manufactured homes built after 1976 have a higher level of safety, durability, and quality, and the small fraction of homes damaged during hurricanes attests to their safety and durability."

Scholastica "Gay" Cororaton
Certified Business Economist (CBE)
National Association of Realtors (NAR)
Realtor University research published in
Journal of the Center for Real Estate Studies
Vol. 8, No. 1 in May 2018. Manufactured home research begins at page 48.

Bobby Campbell
Champion Home Builders, Inc.

"Because of the way manufactured homes are constructed, they usually have about 30 to 50 percent less air leakage than stick-built homes." Bobby Campbell, director of value engineering for Champion Homes Inc., tells Manufactured and ManufacturedHomeLivingNews: "The University of Michigan did a study a few years ago that tested stick-built homes against manufactured and modular homes and found that the manufactured homes were 'tighter' than stick-built homes."

NAHB Priced Out 2023
Formula-HUD-Code Vs DOE
Manufactured Home
Proposed Energy Regs
Scholastica "Gay" Cororaton
National Association
Realtors (NAR). Bobby
Campbell (SKY) Champion
Home Builders -
MHPProNews/MHLivingNews.
Note: Image can be
expanded. Click-Follow
Prompts.

Rulemaking (“NOPR”), asserts that delaying the compliance date until after it has promulgated enforcement procedures is “necessary,” would provide “clarity to manufacturers,” and would remedy the current “absence of a clear, workable enforcement framework for manufacturers [which] jeopardizes the full realization of the [Final Rule’s] consumer benefits.”

“Third, DOE’s failure to consider testing, compliance and enforcement in the Final Rule was improper, which DOE effectively concedes in the NOPR.” [Note: NOPR is notice for proposed rulemaking.]

Fourth, DOE’s failure to account for the extraordinary economic environment in which it conducted its rulemaking is not saved by its purported “corroboration” with other obsolete cost and interest rate data.

Seventh, DOE—which, after eight months, has still not responded to Plaintiffs’ FOIA requests—has failed to show “some evidence” of its consultation with HUD related to the Final Rule.

Eighth, Plaintiffs’ members will suffer irreparable harm in the event DOE does not delay compliance in accordance with the NOPR because such an administrative about-face would leave manufacturers incapable of complying by the current deadline.”

More from MHARR on DOE:

<https://manufacturedhousingassociationregulatoryreform.org/mhpronews-qa-with-danny-ghorbani/duty-to-serve-mh/#fifth>

More from MHPProNews/MHLivingNews on DOE energy rule:

<https://www.manufacturedhomepronews.com/irreparable-harm-public-interest-legal-defects-doe-seeks-to-avoid-judicial-review-cited-by-mhi-tmha-attorneys-v-dept-of-energy/>



Manufactured Housing Assoc for Regulatory Reform (MHARR) Thoreau Quote-Photo Collage Modern HUD Code Manufactured Homes Infographic Compare Cost Per SqFoot New Conventional Site Built Housing vs New Manufactured Homes. (Note: Image can be expanded. Click-Follow Prompts.

<https://www.manufacturedhomepronews.com/stunning-and-unworkable-does-extreme-energy-enforcement-regulations-would-destroy-affordable-manufactured-homes-per-manufactured-home-assoc-added-info-with-exclusive-insights-and-analysis-plus/>

<https://www.manufacturedhomelivingnews.com/double-digit-2023-manufactured-home-production-slide-continues-per-national-manufactured-housing-association-more-new-manufactured-home-living-facts/>

<https://www.manufacturedhomelivingnews.com/realtor-university-the-market-for-manufactured-homes-research-by-scholastica-cororaton-certified-business-economist-highlights/>

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