



Manufactured Housing and Federally-Insured Mortgages

**March 23, 2016
DOE Energy Codes Conference
Tucson, AZ**

**Eric Lacey
Responsible Energy Codes Alliance**

Manufactured Homes



Manufactured Homes



Manufactured Homes



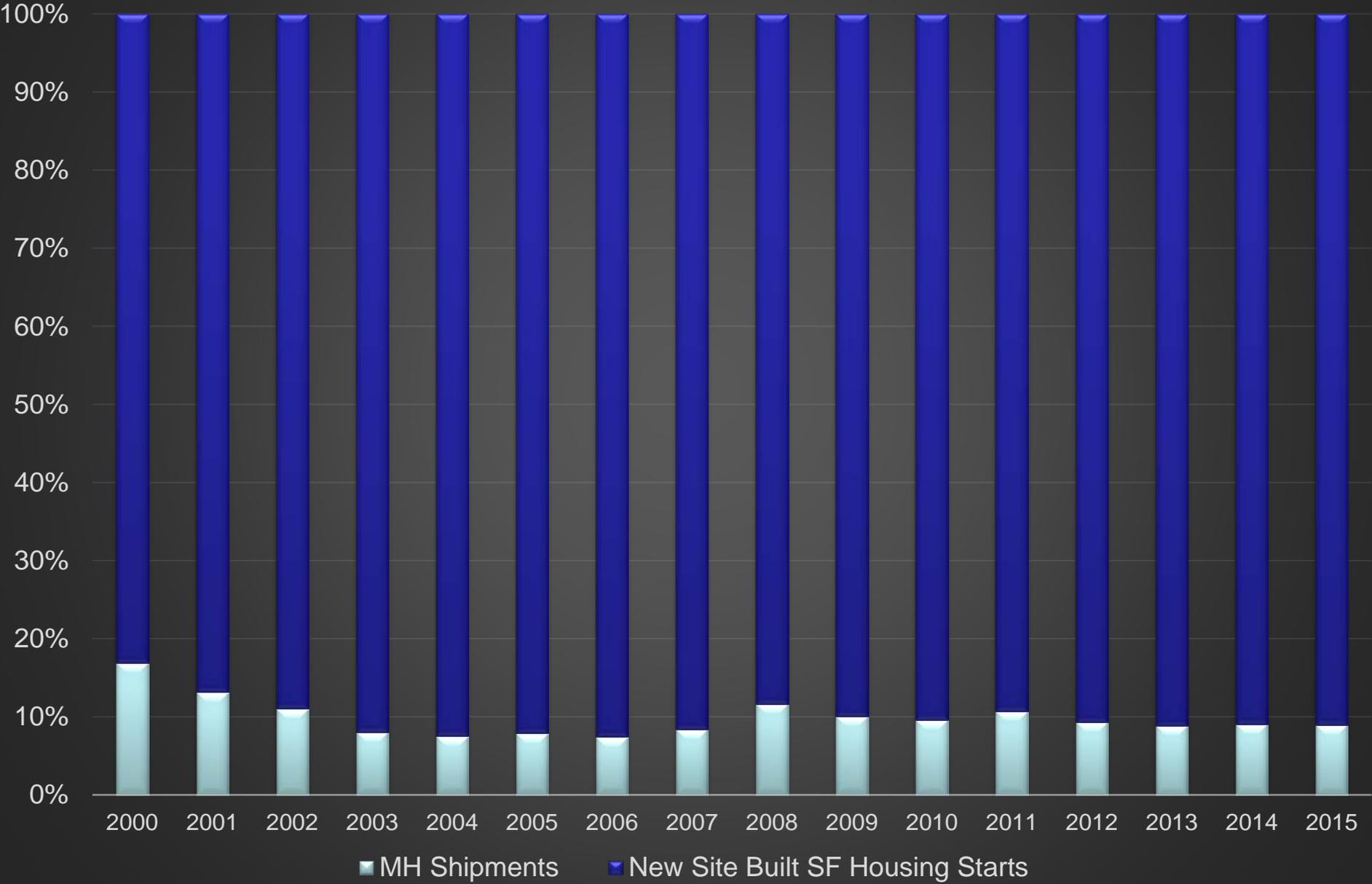
Manufactured Homes



Manufactured Homes



Manufactured Home Shipments and Site Built Single-Family Housing Starts



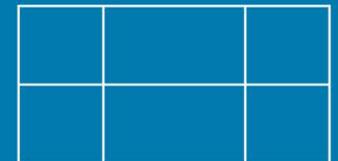
Manufactured Homes



Manufactured Housing Shipments in 2015:

70,544

2015 Single-Family Housing Starts		
TX	104096	15.1%
FL	66171	9.6%
CA	44452	6.4%
NC	37465	5.4%
GA	31857	4.6%
SC	23639	3.4%
AZ	22620	3.3%
TN	22511	3.3%
VA	20594	3.0%



Manufactured Homes



Highlights of Current Energy Standard for Manufactured Housing:



MH Working Group



Joseph Hagerman – DOE

John Caskey – ASRAC/NEMA

Bert Kessler – Palm Harbor Homes

David Tompos – NTA, Inc.

Emanuel Levy – SBRA

Eric Lacey – RECA

Ishbel Dickens – NMHOA

Keith Dennis – NRECA

Lois Starkey – MHI

Lowell Ungar – ACEEE

Manuel Santana – Cavco Industries

Mark Ezzo – Clayton Homes

Mark Weiss – MHARR

Michael Lubliner – WSU

Michael Wade – Cavalier Homebuilders

Peter Schneider – Efficiency Vermont

Richard Hanger – Housing Tech. & Stds

Richard Potts – VA DHCD

Rob Luter – Lippert Components

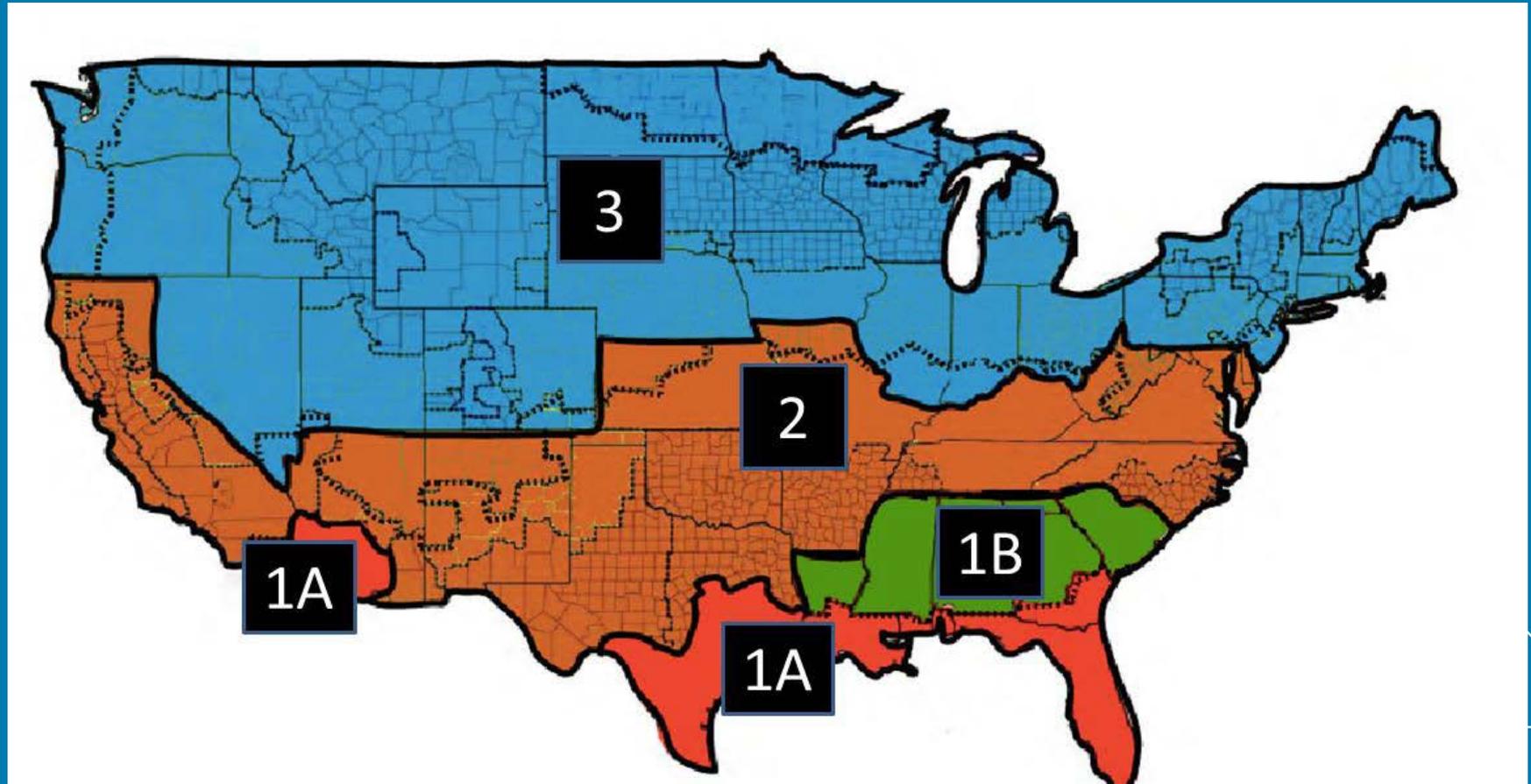
Robin Roy – NRDC

Scott Drake – East Kentucky Power

Stacey Epperson – Next Step Network



Consensus Standard



Consensus Standard



IECC CZ (Appx.)	MH CZ	Ceiling R	Wall R	Floor R	Window U	Skylight U	Door U	Glazing SHGC
1-2	1A	30	13	13	0.35	0.75	0.40	0.25
2-3	1B	30	13	13	0.35	0.75	0.40	?
3-4	2	30	21	19	0.35	0.55	0.40	?
5-8	3	38	21	30	0.32	0.55	0.40	NR

Consensus Standard





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DOE/EE RIN: 1904-AC11 Publication ID: Fall 2015

Title: Energy Efficiency Standards for Manufactured Housing

Abstract:

Section 413 of EISA requires that DOE establish standards for energy efficiency in manufactured housing. See 42 U.S.C. 17071(a)(1). DOE is directed to base the energy efficiency standards on the most recent version of the International Energy Conservation Code (IECC), except where DOE finds that the IECC is not cost effective, or a more stringent standard would be more cost effective, based on the impact of the IECC on the purchase price of manufactured housing and on total life-cycle construction and operating costs. DOE undertook a successful negotiated rulemaking under the Appliance Standards and Rulemaking Federal Advisory Committee in accordance with the Federal Advisory Committee Act and the Negotiated Rulemaking Act to negotiate proposed Federal standards for the energy efficiency of manufactured homes. As part of the consensus reached, the negotiating group recommended that DOE conduct additional analysis to inform the selection of solar heat gain coefficient requirements in certain climate zones and seek information regarding window fenestration pertaining to manufactured housing. A request for information was issued on these topics.

Agency: Department of Energy(DOE) Priority: Economically Significant
RIN Status: Previously published in the Unified Agenda Agenda Stage of Rulemaking: Proposed Rule Stage
Major: Yes Unfunded Mandates: Undetermined
CFR Citation: [10 CFR 460](#)
Legal Authority: [42 U.S.C. 17071](#)

Legal Deadline:

Action	Source	Description	Date
Final	Statutory		12/19/2011

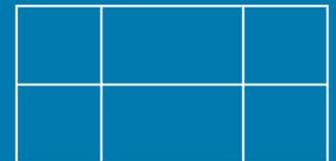
Timetable:

Action	Date	FR Cite
ANPRM	02/22/2010	75 FR 7556
ANPRM Comment Period End	03/24/2010	
Request for Information	06/25/2013	78 FR 37995
Extension of Term; Notice of Public Meeting	10/01/2014	79 FR 59154
Request for Information	02/11/2015	80 FR 7550
RFI Comment Period End	03/13/2015	
NPRM	01/00/2016	

Regulatory Flexibility Analysis Required: Undetermined Government Levels Affected: None
Federalism: No
Included in the Regulatory Plan: No



Federally-Insured Mortgages

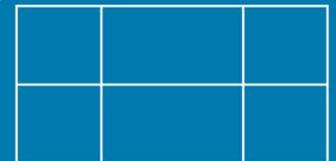


Federally-Insured Mortgages



42 USC §12709

- 9/30/2006 - HUD and USDA shall jointly establish energy efficiency standards.
 - Meet or exceed 2006 IECC/ASHRAE 90.1-2004
- Within 1 year of code updates
 - Must update energy efficiency standards if
 - Codes no not negatively affect availability or affordability of new construction
 - Codes would improve efficiency (DOE Determination)



Federally-Insured Mortgages



REAL LIFE

- 2009-2011 –EE Advocates urge HUD/USDA to update energy standards
 - HUD and USDA adopt 2006 IECC/ASHRAE 90.1-2004
- 2011-2015 – EE Advocates continue to urge HUD/USDA to update energy standards
 - 5/1/2014 – Preliminary Determination on 2009 IECC/ASHRAE 90.1-2007
 - 5/6/2015 – Final Determination Issued for 2009 IECC/ASHRAE 90.1-2007
 - Codes do not negatively affect availability or affordability of new construction
 - Codes would improve efficiency (DOE Determination)

Alliance to Save Energy ♦ American Council for an Energy Efficient Economy
Building Energy Efficient Codes Network ♦ Consumer Federation of America
Consumers Union ♦ Environmental Defense Fund ♦ Institute for Market Transformation
International Code Council ♦ National Association of State Energy Officials
National Consumer Law Center ♦ Natural Resources Defense Council
North American Insulation Manufacturers Association
Responsible Energy Codes Alliance

April 26, 2011

Shaun Donovan, Secretary
U.S. Department of Housing and Urban Development
451 7th Street S.W.
Washington, DC 20410

Thomas J. Vilsack, Secretary
U.S. Department of Agriculture
1400 Independence Ave., S.W.
Washington, DC 20250

RE: Model energy codes for houses subject to Federal Housing Administration and US Department of Agriculture mortgage programs.

Dear Secretary Donovan and Secretary Vilsack:

We are writing to strongly urge the U.S. Department of Housing and Urban Development ("HUD") and the U.S. Department of Agriculture ("USDA") to immediately take action necessary to implement the existing legal requirement that new single-family houses securing loans insured by the Federal Housing Administration ("FHA") and the USDA must meet or exceed the requirements of the 2006 IECC model energy code.¹

In the Cranston-Gonzalez National Affordable Housing Act² ("Cranston-Gonzalez"), as amended and updated by the Energy Policy Act of 1992,³ the Energy Policy Act of 2005,⁴ and the Energy Independence and Security Act of 2007,⁵ Congress required that HUD and USDA limit various loan and grant programs to buildings that meet or exceed certain model energy code requirements. Under the current statute, codified at 42 U.S.C. § 12709, for a mortgage for the purchase of a newly-constructed single-family house to be eligible for insurance under the National Housing Act and

¹ Although the statute also requires actions related to multifamily housing, public housing, and other buildings, in this letter we focus on the requirements applicable to loans secured by single-family houses.

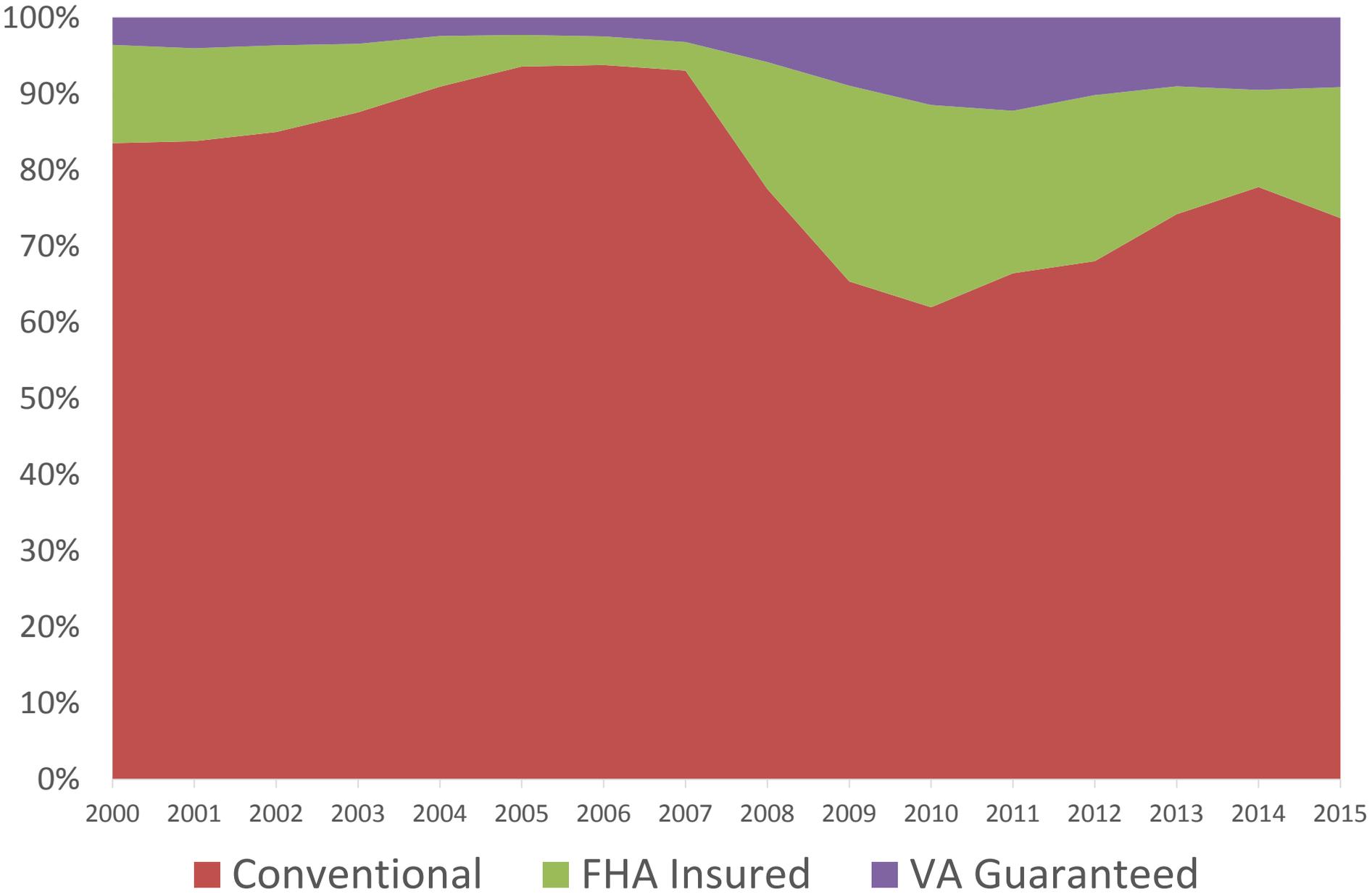
² Cranston-Gonzalez National Affordable Housing Act ("Cranston-Gonzalez"), Pub. L. No. 101-625, 104 Stat. 4079 (Nov. 28, 1990).

³ Energy Policy Act of 1992, Pub. L. No. 102-486 (Oct. 24, 1992).

⁴ Energy Policy Act of 2005, Pub. L. No. 109-58, 119 Stat. 594 (Aug. 8, 2005).

⁵ Energy Policy and Security Act of 2007 ("EISA"), Pub. L. No. 110-140, 121 Stat. 1648 (Dec. 19, 2007).

New Houses Sold By Type of Financing



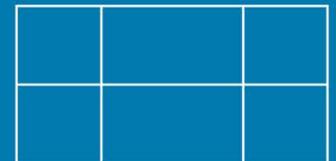
Federally-Insured Mortgages



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TN	22511	3.3%
VA	20594	3.0%

FHA/VA Mortgages in 2015:

124,000

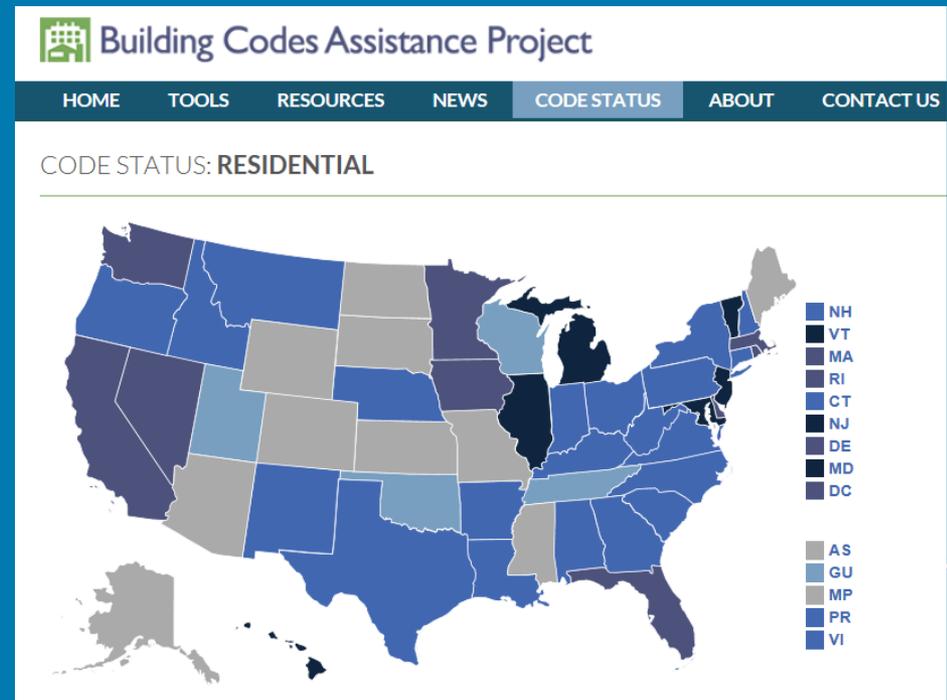


Federally-Insured Mortgages



Potential Impact

- Home Rule States
- States without Statewide Codes
- States without Enforcement Infrastructure
- States with weaker Codes



Federally-Insured Mortgages



“HUD and USDA will address the affordability of the more recent IECC and ASHRAE 90.1 codes in an advance notice in the near future, according to the timetable prescribed in EISA.”

 Federal Register / Vol. 80, No. 87 / Wednesday, May 6, 2015 / Rules and Regulations 25901

handling unpackaged organic goods, and the list of permitted substances for crops.

Authority: 7 U.S.C. 6501–6522.
Dated: April 30, 2015.
Rex A. Barnes,
Associate Administrator, Agricultural Marketing Service.
[FR Doc. 2015–10446 Filed 5–5–15; 8:45 am]
BILLING CODE 3410–02–P

DEPARTMENT OF AGRICULTURE

7 CFR Chapter 0
RIN 0575–ZA00

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

24 CFR Parts 91 and 93
[HUD FR–5647–N–02]
RIN 2501–ZA01

Final Affordability Determination—Energy Efficiency Standards

AGENCY: U.S. Department of Housing and Urban Development and U.S. Department of Agriculture.
ACTION: Notice of Final Determination.

SUMMARY: The U.S. Department of Housing and Urban Development (HUD) and the U.S. Department of Agriculture (USDA) have determined that adoption of the 2009 edition of the International Energy Conservation Code (IECC) for single family homes and the 2007 edition of the American Society of Heating, Refrigerating and Air-conditioning Engineers (ASHRAE) 90.1 for multifamily buildings will not negatively affect the affordability and availability of certain HUD- and USDA-assisted housing specified in section 481 of the Energy and Independence and Security Act of 2007 (EISA). This determination fulfills a statutory requirement established under EISA

agencies plan to take on the 2015 IECC and ASHRAE 90.1–2013 codes.

DATES: This notice of final determination will be effective according to the implementation schedule described herein that commences no earlier than June 5, 2015.

FOR FURTHER INFORMATION CONTACT: HUD: Rachel Isacoff, Office of Economic Resilience, Department of Housing and Urban Development, 451 7th Street SW., Room 10180, Washington, DC 20410; telephone number 202–402–3710 (this is not a toll-free number). Persons with hearing or speech impairments may access this number through TTY by calling the Federal Relay Service toll-free at 800–877–8339. USDA: Meghan Walsh, Rural Housing Service, Department of Agriculture, 1400 Independence Avenue SW., Room 6900–S, Washington, DC 20250; telephone number 202–205–9590 (this is not a toll-free number).

SUPPLEMENTARY INFORMATION:

I. Background

A. Statutory Requirements

B. HUD and USDA Preliminary Determination

C. Public Comments on Preliminary Determination

D. Adoption of Preliminary Determination as Final Determination

II. HUD–USDA Final Affordability Determination

A. Discussion of Market Failures

B. 2009 IECC Affordability Determination

1. Current Adoption of the 2009 IECC

2. 2009 IECC Affordability Analysis

3. Cost Effectiveness Analysis and Results

4. Limitations

5. Distributional Impacts on Low-Income Consumers or Low Energy Users

6. Conclusion

C. ASHRAE 90.1–2007 Affordability Determination

1. Current Adoption of ASHRAE 90.1–2007

2. ASHRAE 90.1–2007 Affordability Analysis

3. Energy Savings Analysts

4. Cost Effectiveness Analysis and Results

5. Conclusion

D. Impact on Availability of Housing

1. Impact of Increases in housing prices

3. Life-cycle Cost (LCC) Savings, Net Positive Cash Flow, and Simple Payback for the 2009 IECC

4. Quintiles of Income Before Taxes and Shares of Average Annual Expenditures

5. Current Status of ASHRAE Code Adoption by State

6. Estimated Costs and Benefits per Dwelling Unit From Adoption of ASHRAE 90.1–2007

7. Estimated Number of HUD- and USDA-Supported Units Potentially Impacted by Adoption of 2009 IECC

8. Estimated Number of HUD-Assisted Units Potentially Impacted by Adoption of ASHRAE 90.1–2007

9. Annualized Value of Reduction in CO₂ Emissions

Appendices:

1. Covered HUD and USDA Programs

2. Estimated Energy and Cost Savings From Adoption of ASHRAE 90.1–2007

3. Total Development Cost (TDC) Adjustment Factors for States That Have Not Adopted ASHRAE 90.1–2007

4. Estimated Total Costs and Energy Cost Savings From Adoption of 2009 IECC

5. Estimated Total Costs and Energy Cost Savings From Adoption of ASHRAE 90.1–2007

I. Background

A. Statutory Requirements

HUD and USDA have a statutory responsibility to adopt minimum energy standards for new construction of certain HUD- and USDA-assisted housing, following procedures established in EISA. Section 481 of EISA amended section 109 of the Cranston-Gonzalez National Affordable Housing Act of 1990 (Cranston-Gonzalez) (42 U.S.C. 12709), which establishes procedures for setting minimum energy standards for certain HUD and USDA programs. The two standards referenced in EISA (the IECC and ASHRAE 90.1) apply to different building types: the IECC standard applies to single family homes and low-rise multifamily buildings (up to three



Thank You

Eric Lacey, Chairman
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