

MHI Conference Call 4-21-10

Thayer Long; Rae Ann Bevington; Lois Starkey; Ann Parman

4.01 p.m.

SAFE Act: Thayer: We were hoping to get a bill in before Easter to make clear exemptions for manufactured housing staff, but that did not happen. We have a draft bill now and are reviewing it. We are going to ask Rep. Joe Donnelly, D-Ind., to introduce the bill and to start working on a legislative fix to the SAFE Act.

We had a very productive meeting with the House Financial Services Committee three weeks ago. Chairman Frank is sympathetic to the issues our industry is undergoing. Two committee staff we met with were disappointed to learn the bank supervisors and HUD have redirected the intent of the law and that the model legislation has not been consistent with what Congress intended. They agreed with our position that HUD and the bank supervisors exceeded their authority in changing definitions in the law and who the act applies to. On the other hand, they are reluctant to open the SAFE Act so it is going to be a challenge to get something done.

HUD received more than 5,000 comments on the SAFE Act. The likelihood is there is going to be delayed enforcement. This is an issue we raised with the Financial Services Committee. We are not the only industry that has major problems with the SAFE Act. We would like to have a delayed enforcement date announced sooner than later. The Financial Services Committee lawyer used to work at HUD and we are going to push that with the committee to get the message to HUD to make an announcement on delaying.

We are trying to address the situation with the park owners, but we were advised by the committee staff not to do that because we are trying then to get exemptions for people who are doing lending.

Clarification? Thayer: I think we are going to get favorable language on retail salespersons from HUD, but it is going to be a problem (to get an exemption for) community owners who are making loans. It would be like the exemption for real estate brokers. It says the definition does not include a person unless they are compensated by a lender.

Bill Matchneer is no longer overseeing the office of manufactured housing. He is reassigned to office of general counsel. The administration wanted its own people at those levels. Teresa Payne has replaced Bill. She is a career employee and is responsible for Bill's former work. The spot once held by Gary Cunningham, Bill's former boss, is being filled by Bob Ryan, head of the office of regulatory affairs. We're optimistic, but cautious and leery because we are dealing with an unknown. I think we may have seen the last of Bill Matchneer.

Lois: The consensus committee meeting is next Wednesday-Friday with talks about reorganizing the committee. A number of HUD proposals are on the agenda. Nothing specific on the agenda that will be voted on. Teresa will be there instead of Bill, giving opening remarks.

Rae Ann: Both Energy bills are moving along in Congress. S 1320 is the bill in the Senate and MHI wants everyone to ask our senators to support the bill. The other is the energy star tax credit bill: \$1,000 credit for manufactured and \$2,000 for modulars. The Senate passed legislation to extend the credit for one year. The bill is now going to conference. We are looking for something before the Memorial Day recess.

Thayer as for the New homebuyer tax credit: there is no appetite to extend it. Congress says no.

Ann: Financial Strategies can give discounts and profitsharing if we want to use them as a trainer for the 20-hour training required under the SAFE Act. They will give a 10 percent discounts for members if they want to take the training. The state association will get a 20 percent share of the revenue for each student. It can save money for members for those who have to get the training anyway. MHI will provide additional information. The contact is Ric at (317) 435-4848 Ric@mymortgagetrainer.com. They claim a pass rate of more than 80 percent.

End 5.03 p.m.