



Manufactured Housing Association for Regulatory Reform

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March 10, 2017

VIA FEDERAL EXPRESS

Hon. Rick Perry
Secretary
U.S. Department of Energy
1000 Independence Avenue, S.W.
Washington, D.C. 20585

Re: Destructive Pending Manufactured Housing Energy “Standards”

Dear Secretary Perry:

On behalf of the members of the Manufactured Housing Association for Regulatory Reform (MHARR), I would like to congratulate you on your confirmation as Secretary of the U.S. Department of Energy (DOE). MHARR is a Washington, D.C.-based national trade association representing the views and interests of mostly smaller and medium-sized producers of HUD-regulated manufactured housing. The homes produced by MHARR’s members, as confirmed by multiple studies, are the most affordable source of non-subsidized home-ownership in the United States. Manufactured homes provide millions of Americans – and especially low, lower and moderate-income families – with access to the American Dream of home-ownership that they might not have otherwise. A pending DOE regulation, though, rooted in “climate-change” activism and advanced by “energy” special interests through an illegitimate and scandal-plagued regulatory process, threatens to needlessly destroy that affordability and simultaneously exclude millions of consumers from the manufactured housing market -- and from home-ownership altogether.

As is explained in detail in the attached materials, DOE, on June 17, 2016, published proposed manufactured housing “energy efficiency” standards as a component of the Obama Administration’s “Climate Action Plan.” These standards – notwithstanding government data showing that monthly energy costs for HUD-regulated manufactured homes are already less-than-or-comparable to those for other types of housing -- would add up to \$6,000.00 (and more, when related enforcement regulations are developed) to the cost of a new manufactured home. A National Association of Home Builders (NAHB) analysis shows that in a highly-price-sensitive market like manufactured housing, such a cost increase would exclude literally millions of low, lower and moderate-income Americans from the ability to purchase a HUD Code manufactured home and from home-ownership altogether, a shocking setback for – and disservice to – millions of already hard-pressed working Americans based on a totally unnecessary regulation.

Even worse, the standards proposed by DOE would not result in energy cost savings for manufactured home purchasers (notwithstanding DOE's deceitful use of alleged global "savings" to offset domestic regulatory costs under its "Social Costs of Carbon" construct), and could actually result in life-cycle energy operating cost increases in many areas according to independent comments filed in the DOE rulemaking (see, e.g., the attached comments of the George Washington University Regulatory Studies Center and the U.S. Small Business Administration Office of Advocacy). Effectively, then, the proposed DOE regulation represents a regressive and destructive tax – based on "junk-science" -- targeted against the nation's most affordable non-subsidized homes, that will disproportionately harm lower and moderate-income Americans.


This baseless attack on home-ownership and the thousands of mostly smaller businesses that comprise the manufactured housing industry, would cost American manufacturing jobs and would needlessly harm the low, lower and moderate-income Americans who rely on affordable manufactured housing. As such, it directly conflicts with the regulatory principles of the Trump Administration.

On November 18, 2016, MHARR wrote to your predecessor at DOE, Secretary Moniz, urging that any further action on the pending manufactured housing rule be held in abeyance in accordance with Congress' November 16, 2016 advisory (see, copy attached) calling on all federal agencies to defer "finalizing pending rules or regulations in the [Obama] Administration's last days." Following the regulatory freeze memorandum issued by the White House on January 20, 2017, we now respectfully ask that you please take action to withdraw, in toto, this destructive, ill-considered, illegitimate and fundamentally tainted proposed regulation. We have also asked the relevant committees in Congress -- if this matter proceeds to a final rule in any form -- to act under the Congressional Review Act to reject that rule (see, copy attached).

Given the urgency of this matter, we will contact your office soon to arrange an introductory meeting to address this regulatory assault on affordable housing and working Americans.

Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Weiss", with a long horizontal flourish extending to the right.

Mark Weiss
President and CEO

Attachments

cc: Hon. Dr. Ben Carson
Hon. Lisa Murkowski
Hon. Maria Cantwell
Hon. Greg Walden
Hon. Frank Pallone
Hon. Mick Mulvaney
Hon. Gary Cohn
MHARR Members