



Rules of
Department of Economic
Development
Division 240—Public Service Commission
Chapter 126—Manufactured Housing Consumer
Recovery Fund

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**Title 4—DEPARTMENT OF
ECONOMIC DEVELOPMENT
Division 240—Public Service
Commission**

**Chapter 126—Manufactured Housing
Consumer Recovery Fund**

4 CSR 240-126.010 Definitions

PURPOSE: This rule defines various terms as used in this chapter.

(1) “Advisory committee” is the committee created to assist the commission with the evaluation of all claims filed by consumers.

(2) “Applicant” is any consumer who completes a claim form.

(3) “Claim form” is the form developed and provided by the commission and which is used for reimbursement from the Manufactured Housing Recovery Fund.

(4) “Commission” is the Missouri Public Service Commission.

(5) “Consumer” is any individual who has purchased from a Missouri registered manufacturer or dealer any “home” as that term is defined in this rule.

(6) “Home” means any new manufactured home built according to the federal standards in 24 CFR Parts 3280 and 3282 and 4 CSR 240-120.100, and/or any modular unit used as a residential home and built according to the Code for modular units as that Code is defined in 4 CSR 240-123.080.

(7) “Manufactured Housing Consumer Recovery Fund (Recovery Fund)” means the fund administered by the commission for the purpose of paying consumer claims under procedures the commission may promulgate by rule.

(8) “Program director” is the director of the commission’s Manufactured Housing and Modular Units Program.

(9) “Unsatisfied claim” is any claim for the actual cost of damages or repairs arising from a violation of Chapter 700, RSMo, the commission’s rules, or the federal standards in 24 CFR Parts 3280 and 3282, and which a consumer has not been able to recover.

AUTHORITY: section 700.040, RSMo 2000 and section 700.041, RSMo Supp. 2008.* Original rule filed April 6, 2009, effective Oct. 30, 2009.

**Original authority: 700.040, RSMo 1973, amended 1976, 1978, 1982, 1984, 1989, 1993, 1995, 1999 and 700.041, RSMo 2008.*

4 CSR 240-126.020 Consumer Recovery Fund

PURPOSE: To establish guidelines for the Manufactured Housing Consumer Recovery Fund (Recovery Fund) pursuant to section 700.041, RSMo Supp. 2008.

(1) The Recovery Fund is established for the purpose of paying unsatisfied claims as approved by the commission under the procedures established by this rule. The commission shall administer the Recovery Fund, and all monies in the fund shall be used solely as prescribed in this rule and pursuant to section 700.041, RSMo.

(2) The advisory committee shall assist the commission in the administration and investigation of all claims submitted by consumers under this rule. The advisory committee shall consist of three (3) members: two (2) employees of the commission with one (1) member being the program director, one (1) member from the commission’s general counsel’s office, and one (1) member of the Missouri Manufactured Housing Association.

(3) In order to receive a disbursement of funds from the Recovery Fund, the following criteria shall be met:

(A) A consumer must have purchased a new manufactured home or residential modular unit as those terms are defined in Chapter 700, RSMo, and the commission’s rules;

(B) The new manufactured home or residential modular unit must have been purchased from a manufacturer or dealer as those terms are defined in Chapter 700, RSMo, and the commission’s rules;

(C) At the time of purchase, the manufacturer or dealer must have been registered with the commission pursuant to sections 700.010 to 700.692, RSMo Supp. 2008;

(D) If a consumer is seeking a disbursement from the Recovery Fund resulting from the actions of an installer, at the time of installation, such installer must have been licensed with the commission pursuant to sections 700.650 to 700.692, RSMo Supp. 2008;

(E) A consumer must have an unsatisfied claim resulting from a violation of:

1. Chapter 700, RSMo; or
2. Any rule adopted by the commission; or
3. The National Manufactured Housing Construction and Safety Standards in 24 CFR

Part 3280 or the Manufactured Home Procedural and Enforcement Regulations in Part 3282; or

4. The standards that govern modular units defined in 4 CSR 240-123.080;

(F) A consumer must have exhausted all legal remedies prior to submitting a claim form;

(G) A consumer must file a claim with the commission on a claim form provided by the commission and within one (1) year from the date of exhaustion of legal remedies; and

(H) The amount requested by the consumer must reflect the actual cost of repairs and in no event shall exceed five thousand dollars (\$5,000) for single section homes and seven thousand five hundred (\$7,500) for multi-section homes. No claim shall include attorney’s fees, double, treble, punitive, or exemplary damages.

(4) Upon receipt of a claim form, the advisory committee shall be responsible to investigate and determine whether the requirements of this rule have been met and shall present its findings to the commission in the form of a recommendation within sixty (60) days from receipt of the claim form.

(5) All recommendations of the advisory committee and all disbursements of funds from the Recovery Fund shall be subject to the approval of the commission. No funds shall be distributed without prior commission approval.

(6) In determining whether an applicant’s legal remedies have been exhausted, the advisory committee may consider the following:

(A) Evidence demonstrating that the consumer has obtained a judgment from a circuit court against a manufacturer, dealer, or installer and that the consumer has been unable to satisfy this judgment;

(B) Information indicating that a manufacturer, dealer, or installer, against whom legal action may be taken, is out-of-business, bankrupt, closed, dissolved, or no longer subject to the jurisdiction of the commission; and

(C) Information indicating that legal action against a manufacturer, dealer, or installer is futile or is barred by statute or equitable principle, or any other relevant factor.

(7) A claim form submitted to the commission must be completed in its entirety. Information contained on the claim form shall contain, but may not be limited to, the following:



(A) The name, physical address, and telephone number of the consumer who purchased the home;

(B) A copy of the purchase agreement or bill of sale;

(C) Any other information the consumer has regarding the purchase and installation of the home, including a description of any defect, work orders, invoices, or other information;

(D) The business name and physical address of the dealer; and

(E) The business name and physical address of the manufacturing plant where the home was manufactured and any other information deemed necessary by the commission.

**Original authority: 700.040, RSMo 1973, amended 1976, 1978, 1982, 1984, 1989, 1993, 1995, 1999 and 700.041, RSMo 2008.*

(8) The advisory committee may request or obtain estimates from approved or registered industry representatives to determine the actual repair costs.

(9) Neither the Recovery Fund, the advisory committee, the program director, nor the commission shall be liable if the Recovery Fund does not have sufficient funds to cover all the damages and/or repair costs.

(10) Should the Recovery Fund contain insufficient funds to pay approved claims, claims shall be processed in the order in which the approved claims have been received.

(11) If the claim arises directly from the sale, lease-purchase, exchange, brokerage, or installation of a manufactured or modular home before July 1, 2009, the consumer will not be eligible to file a claim against the Recovery Fund.

(12) Nothing in this chapter shall limit the ability of the program director to inspect a manufactured home or modular unit at any reasonable time.

(13) Notwithstanding the limitations and terms of any home warranty, the program director may, whenever the program director identifies any aspect of an installation that does not conform to the applicable requirements, order the installer who performed the installation to correct nonconformity, or if that installer is no longer licensed, reassign correction to a registered dealer or licensed installer and reimburse the same from the Recovery Fund for the cost of the correction.

AUTHORITY: section 700.040, RSMo 2000 and section 700.041, RSMo Supp. 2008. Original rule filed April 6, 2009, effective Oct. 30, 2009.*