

119TH CONGRESS  
1ST SESSION

# S. 2489

To conduct a review of Federal Housing Administration construction financing programs, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

JULY 28, 2025

Ms. WARREN (for herself and Mr. BANKS) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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## A BILL

To conduct a review of Federal Housing Administration construction financing programs, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Modular Housing Pro-  
5       duction Act”.

6       **SEC. 2. DEFINITIONS.**

7       In this Act:

8           (1) MANUFACTURED HOME.—The term “manu-  
9       factured home” has the meaning given the term in  
10       section 603 of the National Manufactured Housing

1       Construction and Safety Standards Act of 1974 (42  
2       U.S.C. 5402).

3                 (2) MODULAR HOME.—The term “modular  
4       home” means a home that is constructed in a fac-  
5       tory in 1 or more modules, each of which meet appli-  
6       cable State and local building codes of the area in  
7       which the home will be located, and that are trans-  
8       ported to the home building site, installed on foun-  
9       dations, and completed.

10                (3) SECRETARY.—The term “Secretary” means  
11       the Secretary of Housing and Urban Development.

12 **SEC. 3. FHA CONSTRUCTION FINANCING PROGRAMS.**

13                (a) IN GENERAL.—The Secretary shall conduct a re-  
14       view of Federal Housing Administration construction fi-  
15       nancing programs to identify barriers to the use of mod-  
16       ular home methods.

17                (b) REQUIREMENTS.—In conducting the review  
18       under subsection (a), the Secretary shall—

19                         (1) identify and evaluate regulatory and pro-  
20       grammatic features that restrict participation in  
21       construction financing programs by modular home  
22       developers, including construction draw schedules;  
23       and

24                         (2) identify administrative measures authorized  
25       under section 525 of the National Housing Act (12

1       U.S.C. 1735f–3) to facilitate program utilization by  
2       modular home developers.

3           (c) REPORT.—Not later than 1 year after the date  
4       of enactment of this Act, the Secretary shall publish a re-  
5       port that describes the results of the review conducted  
6       under subsection (a), which shall include a description of  
7       programmatic and policy changes that the Secretary rec-  
8       ommends to reduce or eliminate identified barriers to the  
9       use of modular home methods in Federal Housing Admin-  
10      istration construction financing programs.

11           (d) RULEMAKING.—

12               (1) IN GENERAL.—Not later than 120 days  
13       after the date on which the Secretary publishes the  
14       report under subsection (c), the Secretary shall ini-  
15       tiate a rulemaking to examine an alternative draw  
16       schedule for construction financing loans provided to  
17       modular and manufactured home developers, which  
18       shall include the ability for interested stakeholders  
19       to provide robust public comment.

20               (2) DETERMINATION.—Following the period for  
21       public comment under paragraph (1), the Secretary  
22       shall—

23                   (A) issue a final rule regarding an alter-  
24                  native draw schedule described in paragraph  
25                  (1); or

(B) provide an explanation as to why the rule shall not become final.

## **3 SEC. 4. STANDARDIZED UNIFORM COMMERCIAL CODE FOR 4 MODULAR HOMES.**

5       (a) AWARD.—The Secretary may award a grant to  
6 study the design and feasibility of a standardized uniform  
7 commercial code for modular homes, which shall evalu-  
8 ate—

13                   (2) a means to coordinate a standardized code  
14                   with financing incentives.

15       (b) AUTHORIZATION OF APPROPRIATIONS.—There is  
16 authorized to be appropriated such funds as may be nec-  
17 essary to carry out subsection (a).

