

119TH CONGRESS
1ST SESSION

S. 2489

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

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

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

1 (B) provide an explanation as to why the
2 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—

9 (1) the utility of a standardized coding system
10 for serializing and securing modules, streamlining
11 design and construction, and improving modular
12 home innovation; and

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).

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