

McKean
Angelo
Fruise

SSB-3065
Local Government
Succeeded By
(SF) HF 2239

SENATE/HOUSE FILE _____
BY (PROPOSED DEPARTMENT OF
PUBLIC SAFETY BILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the definition of factory-built structures,
2 the certification of installers of manufactured homes and
3 providing for a fee, an appropriation, and a civil penalty.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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0012

1 Section 1. Section 103A.3, subsection 8, Code 1999, is
2 amended to read as follows:

3 8. "Factory-built structure" means any structure which is,
4 wholly or in substantial part, made, fabricated, formed, or
5 assembled in manufacturing facilities for installation or
6 assembly and installation, on a building site. "Factory-built
7 structure" includes the ~~term~~ terms "mobile home" ~~as defined in~~
8 ~~section-435.1~~, "manufactured home", and "modular home".

9 Sec. 2. Section 103A.3, Code 1999, is amended by adding
10 the following new subsection:

11 NEW SUBSECTION. 15A. "Manufactured home", "mobile home",
12 and "modular home" mean the same as defined in section 435.1.

13 Sec. 3. NEW SECTION. 103A.26 MANUFACTURED HOME
14 INSTALLERS CERTIFICATION -- VIOLATION -- CIVIL ACTION AND
15 PENALTY.

16 1. a. A person who installs a manufactured home for
17 another person shall be certified in accordance with rules
18 adopted by the commissioner pursuant to chapter 17A. The
19 commissioner may assess a fee sufficient to recover the costs
20 of administering the certification of manufactured home
21 installers. The commissioner may suspend or revoke the
22 certification of a manufactured home installer for failure to
23 perform installation of a manufactured home, pursuant to
24 certification standards as provided by rules of the
25 commissioner.

26 b. All fees collected by the commissioner from the
27 certification of manufactured home installers shall be
28 credited to the general fund of the state as provided in
29 section 103A.23 and are appropriated to the commissioner for
30 the purpose of administering this subsection.

31 2. If a provision of this chapter or a rule adopted
32 pursuant to this chapter relating to the manufacture or
33 installation of a manufactured home is violated, the
34 commissioner may assess a civil penalty not to exceed one
35 thousand dollars for each offense. Each violation involving a

1 separate manufactured home, or a separate failure or refusal
 2 to allow or perform an act required by this chapter, or a rule
 3 adopted pursuant to this chapter constitutes a separate
 4 offense. However, the maximum amount of civil penalties which
 5 may be assessed for any series of violations occurring within
 6 one year from the date of the first violation shall not exceed
 7 one million dollars.

8 3. A person who is injured in person or property by
 9 another person violating the standards adopted pursuant to
 10 this chapter for the installation of a manufactured home may
 11 bring a civil action for damages against the violator.

12 EXPLANATION

13 This bill modifies the definition of a factory-built
 14 structure to specifically include a mobile home, manufactured
 15 home, or a modular home as those terms are defined in Code
 16 section 435.1 and provides for the certification of
 17 manufactured home installers pursuant to rules adopted by the
 18 state building code commissioner. The amendment to the
 19 definition adds modular homes to current law governing
 20 factory-built structures. A person who installs manufactured
 21 homes shall be certified by the state building code
 22 commissioner. The commissioner may establish a fee for
 23 certification of the installers. All fees collected are
 24 credited to the general fund of the state and appropriated to
 25 the commissioner to pay the costs of administering the
 26 certification process.

27 The bill also establishes a civil penalty, not exceeding
 28 \$1,000 per violation, which may be assessed by the state
 29 building code commissioner against a person who violates a
 30 manufacturing or installation standards or fails to allow or
 31 perform an act required by Code chapter 103A or rules of the
 32 commissioner. Each violation involving a separate
 33 manufactured home or a separate failure or refusal to allow or
 34 perform an act required by Code chapter 103A constitutes a
 35 separate offense. The maximum civil penalties for a series of

1 violations occurring within one year from the date of the
2 first violation shall not exceed \$1,000,000.

3 The bill also authorizes a separate civil action by any
4 person who is injured in person or property by a person
5 violating the standards and requirement for the installation
6 of manufactured homes.

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THOMAS J. VILSACK
GOVERNOR

SALLY J. PEDERSON
LT. GOVERNOR

DEPARTMENT OF PUBLIC SAFETY

E. A. "PENNY" WESTFALL

COMMISSIONER

TO: Members of the General Assembly
FROM: E.A. "Penny" Westfall, Commissioner *E.A. Westfall*
DATE: November 4, 1999
RE: Fire Marshal Legislation

FACTORY-BUILT STRUCTURES AND MANUFACTURED HOMES

The State Fire Marshal's office serves as the administrative agency for the U.S. Department of Housing and Urban Development office for the purpose of enforcing HUD building standards for homes manufactured outside of Iowa and shipped into the State.

While a certification program for installers is referenced in administrative rule, there is no requirement that installers of manufactured homes be certified. The program's purpose has been to act more as a reference for the consumer. The office of the State Fire Marshal receives numerous complaints of improper installation, which adversely affect the structures. In addition, many manufactured home-owners have not been provided with the Installation Certificate from the installer that provides guidelines to the owners on steps that must be taken to maintain proper installation. Consumer complaints indicate that to be effective, the Certification program should be mandatory and that the Fire Marshal's office should have the authority to revoke certification for just cause.

CIVIL PENALTY - HUD PROGRAM

The U.S. Department of Housing and Urban Development requires that participants in the Federal Manufactured Housing Program comply with all program regulations. These regulations include the provision that a state may impose a Civil Penalty for violation of the program standards. Iowa has exceeded the five-year "conditional" authority that HUD had provided to the state and must seek legislation to enact a civil penalty provision.

The Office of the State Fire Marshal believes that these two issues should be enacted in order to have an effective and enforceable manufactured home program. These sections are supported by the Iowa Manufactured Housing Association.

2/28/00 Wyp & Meana

FILED FEB 22 2000

SENATE FILE 2239
BY COMMITTEE ON LOCAL GOVERNMENT

(SUCCESSOR TO SSB 3065)

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SF 2239

SENATE FILE 2239

S-5200

- 1 Amend Senate File 2239 as follows:
- 2 1. Page 2, by striking line 9 and inserting the
- 3 following: "reason of another person's violation of
- 4 any of the standards adopted pursuant to".
- 5 2. Page 2, line 11, by inserting after the word
- 6 "for" the following: "actual".

By LARRY MCKIBBEN

S-5200 FILED MARCH 21, 2000

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**SENATE FILE 2239
FISCAL NOTE**

A fiscal note for Senate File 2239 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 2239 includes a manufactured home and a modular home in the definition of a factory-built structure. The Bill requires all installers of manufactured homes to be certified in accordance with rules adopted by the Commissioner of the Department of Public Safety. Senate File 2239 permits a fee to be assessed by the Commissioner to recover the costs of administering the certification process. The Bill provides a standing appropriation for revenues generated by the fee, to be appropriated to the Commissioner for the purpose of administering the certification process. Senate File 2239 also provides that the Commissioner may impose a civil penalty for violations of these provisions, not to exceed \$1,000 for each offense. The maximum civil penalty for a series of violations occurring within one year from the date of the first violation shall not exceed \$1.0 million.

ASSUMPTIONS

1. During 1998, there were 103 manufactured home installers. During 1999, there were 93 manufactured home installers.
2. During 1998, there were 2,935 manufactured or modular homes installed in Iowa. During 1999, there were 3,200 modular or manufactured homes installed in Iowa.
3. The Department of Public Safety will assess each installer a license fee.
4. The Department of Public Safety will establish by administrative rule, a \$20 inspection fee for each home inspected.
5. The Department of Public Safety estimates the certification and inspection process will require one additional FTE position.
6. Senate File 2239 provides a standing appropriation for revenues generated by the fee, and appropriates the revenue to the Commissioner for the purpose of administering the certification process.

FISCAL IMPACT

Senate File 2239 will generate approximately \$77,000 in license and inspection fees to be used for salary and support of one inspector to implement the certification and inspection process.

SOURCE

Department of Public Safety

(LSB 5098SV, BAL)

FILED FEBRUARY 29, 2000

BY DENNIS PROUTY, FISCAL DIRECTOR