STATE OF WISCONSIN Department of Saftey and Professional Services

IN THE MATTER OF RULEMAKING PROCEEDINGS BEFORE THE DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES

PROPOSED ORDER OF THE DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES ADOPTING RULES (CLEARINGHOUSE RULE)

PROPOSED ORDER

An order of the Department of Safety and Professional Services to amend SPS 321.40 (1) (a) relating to ground anchors for manufactured homes.

Analysis prepared by the Department of Safety and Professional Services.

<u>ANALYSIS</u>

Statutes interpreted:

Sections 101.92 (intro.) and (3).

Statutory authority:

Sections 227.11 (2) (a) and 101.92 (intro.) and (3).

Explanation of agency authority:

Section 227.11 (2) (a) of the Statutes authorizes the Department to promulgate rules interpreting any statute that is enforced or administered by the Department, if the rule is considered necessary to effectuate the purpose of the statute.

Sections 101.92 (intro.) and (3) require the department to review annually the rules adopted under this subchapter. No set of rules may be adopted that has not taken into account the costs of specific code provisions to home buyers in relationship to the benefits derived from the provisions.

Related statute or rule:

Various other rules promulgated by the Department address the installation of manufactured homes and their anchorage to the ground.

Plain language analysis:

The Department's installation standards for manufactured homes currently incorporates the federal installation standards in Title 24, Part 3285 of the *Code of Federal Regulations* as in effect on April 1, 2013. The federal regulations were recently revised to clarify and improve ground anchorage provisions. This rule updates the reference to the federal regulations so as to include these revised ground anchorage provisions.

Summary of, and comparison with, existing or proposed federal regulation:

The proposed rule would update the Wisconsin regulations to make them equivalent to the federal standards. No proposed federal regulations were found relating to manufactured homes.

Comparison with rules in adjacent states:

Illinois: Manufactured homes must be installed under the on-site supervision of a licensed manufactured home installer, in compliance with either the manufacturer's instructions, or, where no such instructions are available, in compliance with prescribed standards relating to such items as site location, structural support systems, perimeter enclosures, and anchorage of the home.

Iowa: The federal installation standards are applied without any state-level modifications. The only statewide regulations that were found relating to manufactured home communities essentially address only the rental agreements.

Michigan: The federal installation standards are applied statewide as is a requirement to follow the manufacturer's installation specifications.

Minnesota: The federal installation standards are applied statewide.

Summary of factual data and analytical methodologies:

The data and analytic methodology for developing these rule revisions consisted of comparing the current edition of 24 CFR Part 3285 to the April, 2013 edition, which the Department has applied since August, 2014. This comparison and evaluation was performed with the Manufactured Housing Code Council, as created under section 15.407 (13) of the Statutes. The members of the Council include representatives of the major stakeholders, including manufacturers of manufactured homes, dealers, installers, owners and residents of manufactured home communities, inspectors, labor representatives, industry suppliers, and an association of the manufactured housing industry. The Department utilized the Council to obtain information on any potential impacts of the technical elements of the rule revisions. A responsibility of Council members is to bring forth concerns their respective organizations may have with the requirements, including concerns regarding economic impacts.

Analysis and supporting documents used to determine effect on small business or in preparation of economic impact analysis:

The rule revisions are not expected to significantly impact small business because they would clarify and simplify current requirements rather than impose new restrictions.

Fiscal Estimate and Economic Impact Analysis:

The Fiscal Estimate and Economic Impact Analysis is attached.

Effect on small business:

These proposed rules do not have an economic impact on small businesses, as defined in s. 227.114 (1), Stats. The Department's Regulatory Review Coordinator may be contacted by email at Eric.Esser@wisconsin.gov, or by calling (608) 267-2435.

Agency contact person:

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TEXT OF RULE

SECTION 1. SPS 321.40 (1) (a) is amended to read:

SPS 321.40 (1) (a) *Adoption of Standards*. The federal *Model Manufactured Home Installation Standards*, 24 CFR part 3285, as in effect on April 1, 2013 December 1, 2014, is hereby incorporated by reference into this chapter.

SECTION 2. EFFECTIVE DATE. The rules adopted in this order shall take effect on the first day of the month following publication in the Wisconsin administrative register, pursuant to s. 227.22 (2) (intro.), Stats.