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State of Minnesota

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HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH
SESSION

HOUSE FILE No. **3024**

February 16, 2010

Authored by Murdock, Solberg, Atkins, Sanders, Davids and others

The bill was read for the first time and referred to the Committee on Commerce and Labor

March 22, 2010

Committee Recommendation and Adoption of Report:

To Pass as Amended and re-referred to the Committee on Finance

April 8, 2010

Committee Recommendation and Adoption of Report:

To Pass as Amended

Read Second Time

1.1 A bill for an act
1.2 relating to labor and industry; modifying the requirements of the Manufactured
1.3 Home Building Code; amending Minnesota Statutes 2008, sections 327.31,
1.4 subdivision 17, by adding subdivisions; 327.32, subdivision 1, by adding
1.5 subdivisions; 327.34, subdivision 1; repealing Minnesota Statutes 2008, sections
1.6 327.32, subdivision 4; 327C.07, subdivisions 3a, 8.

1.7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.8 Section 1. Minnesota Statutes 2008, section 327.31, subdivision 17, is amended to read:

1.9 Subd. 17. **Installation.** "Installation" of a manufactured home means ~~assembly~~
1.10 installation or reinstallation, at the site of occupancy, of all portions of a manufactured
1.11 home, connection of the manufactured home to existing utility connections and installation
1.12 of support and/or anchoring systems.

1.13 Sec. 2. Minnesota Statutes 2008, section 327.31, is amended by adding a subdivision
1.14 to read:

1.15 Subd. 21. **Used manufactured home.** "Used manufactured home" means a home
1.16 being offered for sale not less than 24 months after the first purchaser took legal ownership
1.17 or possession of the home.

1.18 Sec. 3. Minnesota Statutes 2008, section 327.31, is amended by adding a subdivision
1.19 to read:

1.20 Subd. 22. **Seller.** "Seller" means either the homeowner, manufactured home retailer
1.21 or dealer, broker, or limited dealer or retailer.

1.22 Sec. 4. Minnesota Statutes 2008, section 327.32, subdivision 1, is amended to read:

2.1 Subdivision 1. **Requirement; new manufactured homes.** No person shall sell;
 2.2 or offer for sale; in this state; any new manufactured home ~~manufactured after July 1,~~
 2.3 ~~1972, or~~ manufacture any manufactured home in this state ~~or install for occupancy any~~
 2.4 ~~manufactured home manufactured after July 1, 1972, in any manufactured home park in~~
 2.5 ~~this state~~ unless the manufactured home complies with the Manufactured Home Building
 2.6 Code and: bears a label as required by the secretary.

2.7 ~~(a) bears a seal issued by the commissioner, and is, whenever possible, accompanied~~
 2.8 ~~by a certificate by the manufacturer or dealer, both evidencing that it complies with the~~
 2.9 ~~Manufactured Home Building Code; or~~

2.10 ~~(b) if manufactured after June 14, 1976, bears a label as required by the secretary.~~

2.11 Sec. 5. Minnesota Statutes 2008, section 327.32, is amended by adding a subdivision
 2.12 to read:

2.13 Subd. 1a. **Requirement; used manufactured homes.** No person shall sell or
 2.14 offer for sale in this state any used manufactured home manufactured after June 14,
 2.15 1976, or install for occupancy any used manufactured home manufactured after June
 2.16 14, 1976, unless the used manufactured home complies with the Notice of Compliance
 2.17 Form as provided in this subdivision. If manufactured after June 14, 1976, the home
 2.18 must bear a label as required by the secretary. The Notice of Compliance Form shall be
 2.19 signed by the seller and purchaser indicating which party is responsible for either making
 2.20 or paying for any necessary corrections prior to the sale and transferring ownership of
 2.21 the manufactured home.

2.22 The Notice of Compliance Form shall be substantially in the following form:

2.23 **"Notice of Compliance Form as required in Minnesota Statutes,**
 2.24 **section 327.32, subdivision 1.**

2.25 This notice must be completed and signed by the purchaser(s) and the seller(s) of the
 2.26 used manufactured home described in the purchase agreement and on the bottom of this
 2.27 notice before the parties transfer ownership of a used manufactured home constructed
 2.28 after June 14, 1976.

2.29 Electric ranges and clothes dryers must have required four-conductor cords and plugs.

2.30 Complies Correction required
 2.31 Initialed by Responsible Party: Buyer Seller

2.32 Solid fuel-burning fireplaces or stoves must be listed for use in manufactured homes, Code
 2.33 of Federal Regulations, title 24, section 3280.709(g), and installed correctly in accordance

3.1 with their listing or standards (i.e., chimney, doors, hearth, combustion, or intake, etc.,
3.2 Code of Federal Regulations, title 24, section 3280.709(g)).

3.3 Complies Correction required
3.4 Initialed by Responsible Party: Buyer Seller

3.5 Gas water heaters and furnaces must be listed for manufactured home use, Code of Federal
3.6 Regulations, title 24, section 3280.709(a) and (d)(1) and (2) and installed correctly, in
3.7 accordance with their listing or standards.

3.8 Complies Correction required
3.9 Initialed by Responsible Party: Buyer Seller

3.10 Smoke alarms are required to be installed and operational in accordance with Code of
3.11 Federal Regulations, title 24, section 3280.208.

3.12 Complies Correction required
3.13 Initialed by Responsible Party: Buyer Seller

3.14 Carbon monoxide alarms or CO detectors that are approved and operational are required
3.15 to be installed within ten feet of each room lawfully used for sleeping purposes.

3.16 Complies Correction required
3.17 Initialed by Responsible Party: Buyer Seller

3.18 Egress windows are required in every bedroom with at least one operable window with
3.19 a net clear opening of 20 inches wide and 24 inches high, five square feet in area, with
3.20 the bottom of windows opening no more than 36 inches above the floor. Locks, latches,
3.21 operating handles, tabs, or other operational devices shall not be located more than 54
3.22 inches above the finished floor.

3.23 Complies Correction required
3.24 Initialed by Responsible Party: Buyer Seller

3.25 The furnace compartment of the home is required to have interior finish with a flame
3.26 spread rating not exceeding 25 feet, as specified in the 1976 United States Department of
3.27 Housing and Urban Development Code governing manufactured housing construction.

3.28 Complies Correction required
3.29 Initialed by Responsible Party: Buyer Seller

3.30 The water heater enclosure in this home is required to have interior finish with a flame
3.31 spread rating not exceeding 25 feet, as specified in the 1976 United States Department of
3.32 Housing and Urban Development Code governing manufactured housing construction.

3.33 Complies Correction required
3.34 Initialed by Responsible Party: Buyer Seller

4.1 The home complies with the snowload and heat zone requirements for the state of
4.2 Minnesota as indicated by the data plate.

4.3 Complies Correction required
4.4 Initialed by Responsible Party: Buyer Seller

4.5 The parties to this agreement have initialed all required sections and agree by their
4.6 signature to complete any necessary corrections prior to the sale or transfer of ownership
4.7 of the home described below as listed in the purchase agreement. The state of Minnesota
4.8 or a local building official has the authority to inspect the home in the manner described in
4.9 Minnesota Statutes, section 327.33, prior to or after the sale to ensure compliance was
4.10 properly executed as provided under the Manufactured Home Building Code.

4.11 Signature of Purchaser(s) of Home
4.12date.....date.....
4.13

4.14 Print name as appears on purchase Print name as appears on purchase
4.15 agreement agreement

4.16 Signature of Seller(s) of Home
4.17date.....date.....
4.18

4.19 Print name and license number, if applicable Print name and license number, if applicable
4.20 (Street address of home at time of sale)

4.21
4.22 (City/State/Zip).....

4.23 Name of manufacturer of home.....

4.24 Model and Year.....

4.25 Serial Number....."

4.26 Sec. 6. Minnesota Statutes 2008, section 327.32, is amended by adding a subdivision
4.27 to read:

4.28 Subd. 1b. **Alternative design plan.** An alternative frost-free design slab that is
4.29 submitted to the department, stamped by a licensed professional engineer or architect,
4.30 and is in compliance with either the federal installation standards in effect at the date of
4.31 manufacture or the Minnesota State Building Code, when applicable, shall be issued a
4.32 permit by the department within ten days.

4.33 Sec. 7. Minnesota Statutes 2008, section 327.32, is amended by adding a subdivision
4.34 to read:

4.35 Subd. 1c. **Manufacturer's installation instructions; new home.** All new
4.36 single-section manufactured homes and new multisection manufactured homes shall be

5.1 installed in compliance with either the manufacturer's installation instructions in effect at
5.2 the date of manufacture or, when applicable, the Minnesota State Building Code.

5.3 Sec. 8. Minnesota Statutes 2008, section 327.32, is amended by adding a subdivision
5.4 to read:

5.5 Subd. 1d. **Manufacturer's installation instructions; used multisection homes.**

5.6 All used multisection manufactured homes shall be installed in compliance with either
5.7 the manufacturer's installation instructions in effect at the date of manufacture, approved
5.8 addenda or, when applicable, the Minnesota State Building Code.

5.9 Sec. 9. Minnesota Statutes 2008, section 327.32, is amended by adding a subdivision
5.10 to read:

5.11 Subd. 1e. **Reinstallation requirements for single-section used manufactured**

5.12 **homes.** (a) All single-section used manufactured homes reinstalled less than 24 months
5.13 from the date of installation by the first purchaser must be reinstalled in compliance with
5.14 subdivision 1c. All single-section used manufactured homes reinstalled more than 24
5.15 months from the date of installation by the first purchaser may be reinstalled without
5.16 a frost-protected foundation if the home is reinstalled in compliance with Minnesota
5.17 Rules, chapter 1350, for above frost-line installations and the notice requirement of
5.18 subdivision 1f is complied with by the seller and the purchaser of the single-section used
5.19 manufactured home.

5.20 (b) The installer shall affix an installation seal issued by the department to the
5.21 outside of the home as required by the Minnesota State Building Code. The certificate
5.22 of installation issued by the installer of record shall clearly state that the home has been
5.23 reinstalled with an above frost-line foundation. Fees for inspection of a reinstallation and
5.24 for issuance of reinstallation seals shall follow the requirements of sections 326B.802
5.25 to 326B.885. Fees for review of plans, specifications, and on-site inspections shall be
5.26 those as specified in section 326B.153, subdivision 1, paragraph (c). Whenever an
5.27 installation certificate for an above frost-line installation is issued to a single-section used
5.28 manufactured home being listed for sale, the purchase agreement must disclose that the
5.29 home is installed on a nonfrost-protected foundation and recommend that the purchaser
5.30 have the home inspected to determine the effects of frost on the home.

5.31 Sec. 10. Minnesota Statutes 2008, section 327.32, is amended by adding a subdivision
5.32 to read:

6.1 Subd. 1f. **Notice requirement.** The seller of the single-section used manufactured
6.2 home being reinstalled under subdivision 1e shall provide the following notice to the
6.3 purchaser and secure signatures of all parties to the purchase agreement on or before
6.4 signing a purchase agreement prior to submitting an application for an installation
6.5 certificate. Whenever a current owner of a manufactured home reinstalls the manufactured
6.6 home under subdivision 1e, the current owner is not required to comply with the notice
6.7 requirement under this subdivision. The notice shall be in at least 14-point font, except the
6.8 heading, "WHICH MAY VOID WARRANTY," must be in capital letters, in 20-point font.
6.9 The notice must be printed on a separate sheet of paper in a color different than the paper
6.10 on which the purchase agreement is printed. The notice becomes a part of the purchase
6.11 agreement, and it shall be substantially in the following form:

6.12 **"Notice of Reinstalling of a Single-Section Used Manufactured**
6.13 **Home Above Frost-Line;**
6.14 **WHICH MAY VOID WARRANTY**

6.15 It is recommended that the single-section used manufactured home being reinstalled
6.16 follow the instructions in the manufacturer's installation manual. By signing this notice,
6.17 the purchaser(s) are acknowledging they have elected to use footings placed above the
6.18 local frost line in accordance with the Minnesota State Building Code.

6.19 The seller has explained the differences between the manufacturer's installation
6.20 instructions and the installation system selected by the purchaser(s) with respect to
6.21 possible effects of frost on the manufactured home.

6.22 The purchaser(s) acknowledge by signing this notice that there is no manufacturer's
6.23 original warranty remaining on the home and recognize that any other extended or ancillary
6.24 warranty could be adversely affected if any applicable warranty stipulates that the home
6.25 be installed in accordance with the manufacturer's installation manual to remain effective.

6.26 After the reinstallation of the manufactured home, it is highly recommended that the
6.27 purchaser(s) have a licensed manufactured home installer recheck the home's installation
6.28 for any releveling needs or anchoring system adjustments each freeze-thaw cycle.

6.29 The purchaser(s) of the used manufactured home described below that is being reinstalled
6.30 acknowledge they have read this notice and have been advised to contact the manufacturer
6.31 of the home and/or the Department of Labor and Industry if they desire additional
6.32 information before signing this notice. It is the intent of this notice to inform the
6.33 purchaser(s) that the purchaser(s) elected not to use a frost-protected foundation system
6.34 for the reinstallation of the manufactured home as originally required by the home's
6.35 installation manual.

7.1 **Plain language notice.**

7.2 I understand that because this home will be installed with footings placed above the
7.3 local frost-line, this home may be subject to adverse effects from frost heave that may
7.4 damage this home. Purchaser(s) initials:

7.5 I understand that the installation of this home with footings placed above the local
7.6 frost-line could affect my ability to obtain a mortgage or mortgage insurance on this
7.7 home. Purchaser(s) initials:

7.8 I understand that the installation of this home with footings placed above the local
7.9 frost-line could void my warranty on the home if any warranty is still in place on this
7.10 home. Purchaser(s) initials:

7.11 Signature of Purchaser(s)

7.12date.....date.....

7.13

7.14 Print name

Print name

7.15 **(Street address of location where**
7.16 **manufactured home is being reinstalled)**

7.17

7.18 **(City/State/Zip).....**

7.19 **Name of manufacturer of home.....**

7.20 **Model and year.....**

7.21 **Serial number.....**

7.22 Name of licensed installer and license number or homeowner responsible for the
7.23 installation of the home as described above.

7.24 Installer name:.....

7.25 License number:....."

7.26 Sec. 11. Minnesota Statutes 2008, section 327.34, subdivision 1, is amended to read:

7.27 Subdivision 1. **Generally.** It shall be a misdemeanor for any person,

7.28 (a) to sell, lease, or offer to sell or lease, any manufactured home manufactured
7.29 after ~~July 1, 1972~~ June 14, 1976, which does not comply with the Manufactured Home
7.30 Building Code or which does not bear a seal or label as required by sections 327.31 to
7.31 327.34, unless the action is subject to the provisions of section 327.35;

7.32 (b) to affix a seal or label, or cause a seal or label to be affixed, to any manufactured
7.33 home which does not comply with the Manufactured Home Building Code unless the
7.34 action is subject to the provisions of section 327.35;

7.35 (c) to alter a manufactured home manufactured after ~~July 1, 1972~~ June 14, 1976,
7.36 in a manner prohibited by sections 327.31 to 327.34; or

8.1 (d) to fail to correct a Manufactured Home Building Code violation in a
8.2 manufactured home manufactured after ~~July 1, 1972~~ June 14, 1976, which is owned,
8.3 manufactured, or sold by that person, within 40 days of being ordered to do so in writing
8.4 by an authorized representative of the commissioner, unless the correction is subject to the
8.5 provisions of section 327.35; ~~or.~~

8.6 ~~(e) to interfere with, obstruct, or hinder any authorized representative of the~~
8.7 ~~commissioner in the performance of duties relating to manufactured homes manufactured~~
8.8 ~~after July 1, 1972, and prior to June 15, 1976.~~

8.9 Sec. 12. **REPEALER.**

8.10 Minnesota Statutes 2008, sections 327.32, subdivision 4; and 327C.07, subdivisions
8.11 3a and 8, are repealed.

327.32 CODE COMPLIANCE.

Subd. 4. **Exception.** Notwithstanding the provisions of subdivision 1, a manufactured home dwelling unit bearing a label issued by the secretary shall not be required to bear a seal of this state. Upon a showing that another state provides for the sealing of manufactured homes manufactured after July 1, 1972, and prior to June 15, 1976, upon compliance with standards which are at least equal to those provided in the Manufactured Home Building Code, the commissioner shall, by rule, provide that a seal affixed under the authority of that state has the same effect as a seal affixed under authority of this state, and thereafter any manufactured home which bears the seal of that state shall not be required to bear the seal of this state as provided in subdivision 1. The commissioner may make any rule contingent upon the other state granting reciprocal effect to seals affixed under authority of this state.

327C.07 IN PARK SALES.

Subd. 3a. **Safety feature disclosure form.** A resident or a resident's agent shall disclose information about safety features of the home to the prospective buyer. The information must be given to the buyer before the sale, in writing, in the following form:

This form is required by law to be filled out and given to the prospective buyer of any used manufactured home by all private parties, dealers, and brokers.

This home has at least one egress window in each bedroom, or a window in each bedroom that meets the specifications of the American National Standard Institute 1972 Standard A119.1 covering manufactured homes made in Minnesota. This standard requires that the window be at least 22 inches in least dimension, and at least five square feet in area, and that the window be not more than four feet off the floor. Egress windows installed in compliance with the United States Department of Housing and Urban Development Manufactured Home Standards or the State Building Code are deemed to meet the requirements of this section.

Yes No

This home has (number) of exits. They are located

This home is equipped with fire extinguishers as required by the Minnesota state Health Department.

Yes No

They are located

This home is equipped with at least one listed automatic smoke detector outside each sleeping area as required in homes built in accordance with the State Building Code.

Yes No

This home has aluminum electrical wiring.

Yes No

Aluminum electrical wiring can present a fire hazard in homes. The special hazards presented by aluminum electrical wiring can be eliminated by certain repairs, as recommended by the United States Consumer Product Safety Commission.

A. The wiring connections to the outlets in this home have been crimped, and the connection point is now copper.

Yes No

B. This home has electrical outlets and switches compatible with aluminum electrical wiring.

Yes No

C. Other action has been taken to eliminate or reduce the danger caused by aluminum electrical wiring in this home. (Describe)

.....
(The buyer may check the effectiveness of these methods by contacting the United States Consumer Product Safety Commission.)

APPENDIX

Repealed Minnesota Statutes: H3024-2

The furnace compartment in this home is lined with gypsum board, as specified in the 1976 United States Department of Housing and Urban Development codes governing manufactured housing construction.

Yes No

The water heater enclosure in this home is lined with gypsum board, as specified in the 1976 United States Department of Housing and Urban Development codes governing manufactured housing construction.

Yes No

This home contains a solid fuel burning stove. This stove was installed by the manufacturer of the home after June 15, 1976, and was inspected for compliance with the United States Department of Housing and Urban Development Manufactured Home Standards.

Yes No

This home contains a solid fuel burning stove. This stove unit is approved for installation in manufactured homes. It was installed by in accordance with the manufacturer's guidelines. A building permit for this stove was issued by the city of, and this stove installation has been approved by the building official.

Yes No

This home contains a solid fuel burning fireplace. The fireplace was installed by the manufacturer of the home after June 15, 1976, and was inspected for compliance with the United States Department of Housing and Urban Development Manufactured Home Standards.

Yes No

This home contains a solid fuel burning fireplace. This fireplace unit is approved for installation in manufactured homes. It was installed by in accordance with the manufacturer's guidelines. A building permit for this fireplace was issued by the city of, and this fireplace installation has been approved by the building official.

Yes No

This home is supported by a support system, as required by state code since September 1, 1974.

Yes No

It is also recommended that the buyer check the home's heat tape. Old and worn heat tape, and improper installation of heat tape, can cause a fire hazard.

It is recommended that the buyer have a qualified utility representative check the furnace and water heater to see that they are both in good working order. If this home was converted from oil to natural gas heat, there could be safety problems if the conversion was not done correctly. A utility representative or building official can inspect the condition and installation of this equipment. They may charge a reasonable fee to do so. It is also recommended that the buyer check the floor area around the water heater and furnace compartments. A weakened floor can create a fire hazard.

It is also recommended that the buyer have a utility approved energy audit of the home.

If you purchase the home, you will be required to install egress windows within one year and smoke detectors and fire extinguishers within 30 days. You will be required to comply with all of the safety features contained in this form within three years.

I,, the undersigned, hereby declare that the above information is true and correct to the best of my knowledge.

.....
Signature

.....
Date

A park owner shall provide a resident or a resident's agent with a copy of the safety feature disclosure form upon request.

APPENDIX

Repealed Minnesota Statutes: H3024-2

Subd. 8. **Compliance with home safety features.** Within 12 months following the in park sale of a home for which a home safety feature disclosure form has been provided under subdivision 3a, the buyer shall install egress windows meeting the specifications of the American National Standard Institute 1972 Standard A119.1 covering manufactured homes made in Minnesota. Within 30 days following the in park sale of a home for which a home safety feature disclosure form has been provided under subdivision 3a, the buyer shall install fire extinguishers and smoke detectors as required by the Minnesota state Health Department and State Building Code.

In addition to the previous requirements, within three years following the sale or upon the resale of the home the buyer shall install the following home safety features:

(a) necessary aluminum electrical wiring repairs conforming with the recommendations of the Consumer Product Safety Commission;

(b) gypsum board lining or similar fire-resistant material for furnaces and water heater enclosures conforming with the Department of Housing and Urban Development Manufactured Home Standards;

(c) if the home contains a solid fuel burning stove or fireplace, installation in conformance with Department of Housing and Urban Development Manufactured Home Standards; and

(d) support systems as required by the State Building Code.

Following installation of the safety features required under this subdivision, the home must be inspected by a state certified building official. The official may charge a reasonable fee, not to exceed \$50, for the inspection. The homeowner shall give the park owner a certificate of inspection certifying that the home safety features required under this subdivision have been installed. This subdivision does not impose any duty or obligation upon a broker, dealer, lender, or park owner to monitor completion of any repairs required, nor does it impose liability on any broker, dealer, lender, or park owner for any injury or claim of whatever nature, which may arise as a result of the failure of the buyer of the home to comply with the home safety features required herein. Failure to comply with the requirements of this subdivision is a park rule violation for purposes of section 327C.09.