

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION
JEFFERSON CITY**

July 18, 2001

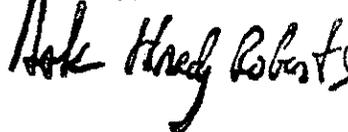
CASE NO: MX-2000-442

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Enclosed find certified copy of a **PROPOSED AMENDMENT** in the above-numbered case(s).

Sincerely,



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

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Title 4—DEPARTMENT OF ECONOMIC DEVELOPMENT
Chapter 240—Public Service Commission
Chapter 123—Modular Units

PROPOSED AMENDMENT

4 CSR 240-123.040 Approval of Manufacturing Programs. This proposal amends the following sections of this rule: section (1) subsections (A) through (H); sections (2) through (5); section (7) subsections (A), (D) and (E); sections (8) and (9); and adds sections (10) and (11).

PURPOSE: This rule establishes the procedure under which a manufacturing program may be approved and/or withdrawn and is amended to clarify text and organization of the rule, to reference the department's correct title, and to reflect changes in plan approval fees and requirements.

(1) To have a manufacturing program considered for approval, the manufacturer who will use the program for which approval is sought shall submit the following information, documents and material to the director:

(A) The name and address of the manufacturer who will use the program *[for which approval is sought]*;

(B) If the manufacturer who will use the program *[for which approval is sought]* is a corporation, a copy of the corporation's articles of incorporation, bylaws and most recent annual registration filed under section 351.120, RSMo along with a copy of documents which verify that the officer who has executed the application has actual authority to have done so. *[The copies shall be retained by the commission so that as]* As long as the original documents remain unchanged an applicant who has once submitted such copies shall not be required to resubmit them with subsequent requests for approval of a manufacturing program;

(C) The make and style of the modular units which will be produced under the manufacturing program *[for which approval is sought]*;

(D) The earliest date on which production will begin under the manufacturing program *[for which approval is sought]*;

(E) Two (2) copies of the quality control manual under which the manufacturing program *[for which approval is sought]* will be implemented. The manual shall at least include a description which is sufficient to demonstrate compliance with the code for every procedure relating to the manufacturing of modular units for which the code contains a requirement; and

[[F] Two (2) copies of detailed plans for each type of modular unit which will be produced under the manufacturing program for which approval is sought. Such detailed plans shall at least include, for every part or component for which the code contains a requirement, a description which is sufficient to demonstrate compliance with the code;]

[[G]] (F) Third party inspection for compliance with [to] required codes[;and].

[[H]] (2) Both selling agent and manufacturer shall register with the Public Service Commission's [Mobile Home Division] Manufactured Housing and Modular Units Program before any sales are made by either party. A nonrefundable fee as set forth in section 700.090 RSMo, shall accompany each request for an approval or re-approval of such registration. The registration must be renewed annually.

[[2]] (3) Approval of a manufacturing program shall be evidenced by the director's stamp of approval on the quality control manual and detailed plans which comprise the program. Upon approval of a manufacturing program the director shall return to the manufacturer a copy of the quality control manual and detailed plans which

bear *[his/her]* the director's stamp of approval. A copy of the original of such approved quality control manual and detailed plans shall be retained at each location where the manufacturing program which they comprise is implemented.

[[3] A nonrefundable fee of fifty dollars (\$50) shall accompany each request for approval or reapproval of a manufacturing program.]

(4) Within ten (10) working days of the submission to the director of the required registration fee and the information necessary for *[him/her]* the director to consider a request for approval of a manufacturing program, the director shall approve or refuse to approve the request. A notice of refusal shall specify the reason for refusal.

(5) The approval of a manufacturing program shall lapse when any changes, not approved in writing by the director, are made in any procedure, part or component for which the code includes a requirement. The director shall promptly provide written approval of such changes after *[s/he]* the director has received a written description of *[them]* the changes which is sufficient to demonstrate that *[they]* the changes comply with the code.

(7) The director shall withdraw *[his/her]* approval of a manufacturing program if *[s/he]* the director finds—

(A) A manufacturer is failing to abide by this chapter or *[c]Chapter 700, RSMo [(1986)] 2000;*

(D) *[Manufacturer's units fail]* A manufacturer fails to comply with annual registration requirements; and

(E) A *[M]*manufacturer fails to renew plans of units produced under the manufacturing program.

(8) If the director withdraws *[his/her]* approval of a manufacturing program, *[s/he]* the director shall provide written notice of such action to the manufacturer. The notice shall be mailed within five (5) working days of the withdrawal and shall be sent by pre-paid certified mail to the last known address of the manufacturer requesting return receipt signed by addressee only. The notice shall state the reason for the withdrawal.

(9) *[A person who]* An entity which produces modular units under an approved manufacturing program shall mail or deliver to the director, by the tenth day of each month, a report which identifies *[the]* each modular unit by make, style, serial number and dealer's name and location to which seals have been affixed since the previous report and the seal number of each unit.

(10) To receive approval of a manufacturing program the manufacturer must also submit two (2) copies of detailed plans and installation diagrams for each type of modular unit which will be produced under the manufacturing program. Such detailed plans shall at least include, for every part or component for which the code contains a requirement, a description which is sufficient to demonstrate compliance with the code.

(11) All subsequent modular unit plans and installation diagrams for each additional type of modular unit (or model) to be manufactured must also be submitted to the director for approval. Each submittal shall comply with the following requirements:

(A) A nonrefundable fee of seventy-five dollars (\$75) shall accompany each request for approval of a modular unit plan;

(B) Each modular unit plan must be identifiable by model name or number or a combination of both;

(C) Any change in the systems of an existing modular unit plan, such as electric, plumbing, gas, or change in the manner of construction requires approval of a new set of detailed plans.

Request for approval shall be accompanied by the applicable fee; and

(D) Simple modular unit plan revisions that do not include changes in systems or the manner of construction require approval of the revised modular unit plans, but do not require payment of a fee. Applications for approval of modular unit plan revisions will be subject to review by the director on a case-by-case basis to determine if payment of the fee is required.

AUTHORITY: section 700.040, RSMo [1986] 2000. Original rule filed Aug. 16, 1979, effective Dec. 15, 1979. Amended: Filed Oct. 12, 1982, effective Jan. 13, 1983. Amended: Filed June 12, 2001.

PUBLIC COST: This proposed amendment will cost state agencies or political subdivisions less than \$500 in the aggregate.

PRIVATE COST: This proposed amendment will cost private entities approximately \$21,350 in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Public Service Commission, Dale Hardy Roberts, Secretary, PO Box 360, Jefferson City, MO 65102. To be considered, comments must be received within thirty days after publication of this notice in the Missouri Register. No public hearing is scheduled.

FISCAL NOTE
PRIVATE ENTITY COST

I. RULE NUMBER

Title: 4
Division: 240 Public Service Commission
Chapter: 123 Modular Units
Type of Rulemaking: Proposed Amendment
Rule Number and Name: 040 – Approval of Manufacturing Programs

II. SUMMARY OF FISCAL IMPACT

Estimate of the number of entities by class which would likely be affected by the adoption of the proposed rule:	Classification by types of the business entities which would likely be affected:	Estimate in the aggregate as to the cost of compliance with the rule by the affected entities:
There are approximately 89 active modular unit manufacturers.	Modular unit manufacturers	\$21,350 in the first year and a similar amount in succeeding years.

III. WORKSHEET

1. Modular unit manufacturers are required to receive approval from the Public Service Commission for each floor plan it produces and sells in the State of Missouri for the purpose of verifying code compliance. This proposal increases the fee for each plan approval from \$50.00 to \$75.00.
2. Ensuring compliance with this rule will not require additional staff.
3. The estimated cost of compliance is based on the total number of plans approved by the Public Service Commission, multiplied by the proposed increase in the plan approval fee.

IV. ASSUMPTIONS

1. Fiscal Year 1999 data was used to estimate costs in this summary. No adjustment for inflation has been applied.
2. Actual cost of compliance in succeeding years will vary depending on actual number of plans approved.
3. Affected entities are assumed to be in compliance with all other MoPSC rules and regulations.
4. Other text amendments proposed in this rule will have no fiscal impact on the state or any private or public person or entity.

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

**I have compared the preceding copy with the original on file in this office and
I do hereby certify the same to be a true copy therefrom and the whole thereof.**

**WITNESS my hand and seal of the Public Service Commission, at Jefferson City,
Missouri, this 18th day of July 2001.**



Dale Hardy Roberts

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge