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SFA

BILL ANALYSIS

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Senate Bill 717 (Substitute S-1 as reported by the Committee of the Whole)
Sponsor: Senator Don Koivisto
Committee: Human Resources and Labor

CONTENT

The bill would amend Section 19 of the Single State Construction Code Act, which requires the manufacturer of a premanufactured unit to submit plans and specifications to the State Construction Code Commission for approval, in order to receive a certificate of acceptability from the Commission. Each premanufactured unit also must be inspected by the Commission or a qualified person selected by the Commission to determine that the unit has been manufactured in accordance with the plans and specifications.

The bill provides that plans and specifications for one- and two-family dwelling premanufactured units could be reviewed by the Department of Consumer and Industry Services (DCIS) or by an independent entity approved by the Commission under rules promulgated by the DCIS. The Department would have to establish submission procedures for plans and specifications reviewed by an independent entity. Also, each premanufactured unit would have to be inspected by the DCIS (rather than the Commission) or a qualified person approved by the Department, and the DCIS could issue a certificate of acceptability.

The bill would prohibit an approved independent entity from conducting in-plant inspections of units for which it performed plan reviews. A manufacturer could request a variance from the Commission, however, if the literal application of the requirements of Section 19 would result in an exceptional, practical difficulty relating to inspection of specific units. ("Exceptional, practical difficulty" would include a geographic distance between the manufacturing facility and the primary business location of the independent entity conducting in-plant inspections for the manufacturer of more than 250 miles, located in another state.)

The bill specifies that a certificate of acceptability could not be used for advertising purposes.

(A "premanufactured unit" is an assembly of materials or products intended to comprise all or part of a building or structure and that is assembled at a place other than its final location, including a mobile home.)

MCL 125.1519

Legislative Analyst: George Towne

FISCAL IMPACT

Currently, employees from the DCIS with guidance from the Commission review plans for premanufactured housing units and conduct inspections at in-State manufacturers. The cost of plan reviews and inspections is supported by fee revenue. The bill would permit the Department to approve a third party to conduct the plan reviews and inspections. The Department would have new duties with regard to developing administrative rules and procedures to approve independent entities to conduct inspections and tracking independent plan reviews and inspections. It is not known how this proposed change in procedures would affect employee workload and Department costs and fee revenue.

Date Completed: 3-20-02

Fiscal Analyst: Elizabeth Pratt