

**CALIFORNIA CODE OF REGULATIONS
TITLE 25. HOUSING AND COMMUNITY DEVELOPMENT
DIVISION 1. CHAPTER 3
SUBCHAPTER 1**

Legend:

- *Text in single underline is proposed new text.
 - * Text in ~~single-strikeout~~ is deleted text.
-

ARTICLE 1. APPLICATION AND SCOPE

1. Continue adoption of Section 3000 with amendments as shown.

§ 3000. Application and Scope.

The provisions of this subchapter are applicable to all factory-built housing ~~after the effective date of this subchapter~~, except as otherwise permitted or required by the Health and Safety Code.

Note: Authority cited: ~~Sections 17003.5, 19990 and 19991.3~~, Health and Safety Code. Reference: Section 19990, ~~et seq.~~, Health and Safety Code.

ARTICLE 2. DEFINITIONS

2. Continue adoption of Section 3010 with amendments as shown.

§ 3010. Definitions.

The following definitions and those contained in Division 13, Part 6 commencing with Section 19960, Health and Safety Code apply to the provisions of this subchapter.

(a) "Agency, Design Approval" means, in addition to the definition contained in Section 19969.3, Health and Safety Code, a private entity which, as determined pursuant to Sections ~~3022.1 and 3022.2~~ 3064 and 3070 of this subchapter is all of the following:

(1) Independent and free from conflict of interest, and has the ability to enforce, and shall enforce, the provisions of this subchapter without an actual or any appearance of a conflict of interest.

(2) Staffed with qualified personnel who can and shall implement all provisions of this subchapter relating to the evaluation of factory-built housing plans and specifications as demonstrated by compliance with Sections ~~3022.1(a)(3)~~ 3064 and 3070~~(b)(1)(3)~~ of this subchapter.

(3) Has the authority and the ability to obtain corrections of the detected or reported defects.

(4) Makes available specific information as required by the department.

(5) Is approved by the department.

(b) "Agency, Listing" means an agency approved by the department ~~which~~ that:

(1) is ~~is~~ in the business of listing or labeling, ~~and which~~

~~(2) maintain~~ Maintains a periodic inspection program on current production of listed models; ~~and which~~

~~(3) makes~~ Makes available, ~~at least an annual~~ annually, a published report of such ~~listing~~ listed models in which specific information is included that the product has been tested to approved standards and found safe for use in a specified manner.

(c) "Agency, Quality Assurance" means an organization which ~~is~~ that:

(1) Is in the business of inspecting equipment and systems;

(2) Conducts a Quality Assurance program;

(3) Is not under the control or jurisdiction of any manufacturer or supplier for any affected industry except by contract as required and approved by the department;

(4) Makes available specific information as required by the department;

(5) Is certified and approved by the department.

(d) "Agency, Testing" means an organization which ~~is~~ that:

(1) ~~Is in~~ is in the business of testing equipment and installations;

(2) ~~Is Qualified~~ is qualified and equipped for experimental testing;

(3) ~~Is Not~~ is not under the jurisdiction or control of any manufacturer or supplier for any affected industry;

(4) ~~Maintaining~~ Maintain at least an annual inspection program of all equipment and installations currently listed or labeled;

(5) ~~Making~~ Makes available a published directory showing current listings of manufacturer's equipment and installations which have been investigated, certified and found safe for use in a specified manner and which are listed or labeled by the testing agency;

(6) ~~Is Approved~~ is approved by the department.

(e) "Assembly" means the construction of factory-built housing at the building site in accordance with the approved plans and installation instructions.

(f) "Certification label" means a label applied to a factory-built dwelling certifying in part, but not limited to:

(1) It is not a manufactured home or mobilehome as defined in Health and Safety Code Sections 18007 and 18008, respectively.

(2) It does not comply with the National Manufactured Housing Construction and Safety Standards Act of 1974, 42U.S.C. 5401 et seq.

(3) It is intended to only be installed on a permanent foundation.

(4) It is constructed in accordance with the California Building Standards Code.

(g) "Factory-built unit" or "unit" means a residential building, building component, dwelling, dwelling unit, individual dwelling room or combination of rooms thereof, constructed in the factory as closed construction, preventing a complete inspection at the building site without disassembly.

(h) "Field Technical Service" means interpretation and clarification by the department or design approval agency of technical data relating to the application of this subchapter, but not including inspection.

(i) "In Substantial Part Manufactured" as related to the definition of "Factory-Built Housing" in Health and Safety Code Section 19971 means a ~~module or major portion or portions of a~~ factory-built housing unit, assembled at an offsite location, in such a manner that all portions of that factory-built unit may not be inspected at the installation site without disassembly or destruction of the part.

“In Substantial Part Manufactured” means:

(1) Fifty (50) percent or more of the square footage of the structure is assembled at an offsite location.

(2) Building components manufactured at an offsite location and identified in accordance with Section 3030(b) consist of more than fifty (50) percent of the structure.

(3) The structure consists of a factory-built system or systems, as defined in Section 3010(t), which comprise portions of a “ Dwelling Unit” as defined in the California Health and Safety Code Section 19970. These systems may be included in or are part of kitchens, bathrooms, laundry areas, and other building spaces manufactured at an offsite location. Structures including these types of factory-built systems and spaces are deemed to be, in substantial part, manufactured at an offsite location and meet the definition of “ Factory-Built Housing.”

(j) “ Insignia of Approval” means a tab or tag issued by the department to indicate compliance with this subchapter.

(k) “ Inspection Agency” for the purpose of this subchapter means the department, or either a local inspection agency or quality assurance agency authorized by the department to inspect the construction of factory-built unit within a manufacturing facility.

(l) “ Labeled” means equipment bearing an inspection label of an approved testing or listing agency.

(m) “ Listed” means all equipment and installations that appear in a list published by an approved testing or listing agency.

(n) “ Local Inspection Agency” means a local government building department authorized and approved pursuant to Sections ~~3036~~ 3074 and ~~3037~~ 3075 of this subchapter.

(o) “ Manufacturer” means any person who produces factory-built housing as defined in Health and Safety Code Section 19971.

(p) “ Model” means a specific design of factory-built housing, as designated by the manufacturer, ~~identifiable as such for purposes of plan checking, quality control, quality assurance, in-plant and on-site inspection as a specific type of building component, dwelling, dwelling unit, individual dwelling unit or combination thereof based on design, size, type of construction, or room configuration.~~

(q) “ Modified” means any change from the approved plans or installation instructions ~~which~~ that in the opinion of the department, design approval agency or local enforcement agency would affect the structural, mechanical, electrical or plumbing systems of factory-built housing bearing a department insignia of approval.

(r) “ Professional Engineer” means an engineer holding a valid certificate under Chapter 7 (commencing with Section 6700) of Division 3, of the Business and Professions Code, in that branch of engineering which is applicable.

(s) “ Section” means a portion of a factory-built housing dwelling designed and constructed to be transported separately pursuant to these regulations. Section is not a definition that applies to building components.

(t) “ System” or “ building system” is a combination of structural, plumbing, mechanical or electrical elements, components or subassemblies.

(u) "Third-party entity" or "third-party" means an entity approved or certified by the department to act as a design approval agency, quality assurance agency, or local inspection agency.

Note: Authority cited: Sections ~~17003.5, 19969.3, 19990 and 19991.3~~, Health and Safety Code.
Reference: Sections ~~19969.3, 19990 and 19991.3~~, Health and Safety Code.

3. Amend Article 3.

ARTICLE 3. ADMINISTRATION AND ENFORCEMENT

4. Adopt new Section 3018 as shown. (Changed relocated contents from Section 3020.)

§ ~~3020~~ 3018. Manufacturing Requirements.

(a) Every manufacturer of factory-built housing subject to the requirements of this subchapter shall obtain plan approval for each model, and shall obtain insignia for each unit manufactured. The manufacturer shall maintain a quality control program, and the units shall be manufactured in accordance with the approved plans and shall be inspected as required by this subchapter. No factory-built housing unit bearing a department insignia of approval shall be in any way modified prior to installation unless approval is first obtained from the department or design approval agency.

(b) Factory-built units shall comply with the requirements of this subsection and approved plans prior to bearing department insignia of approval and release from the manufacturing facility. Units manufactured or constructed without material, equipment or components necessary to comply with all aspects of construction required by approved plans shall not be released from the facility until either the unit is constructed in accordance with approved plans or installation instructions are revised and approved by the design approval agency or department identifying the work to be completed on-site.

(c) The manufacturer shall be responsible for all necessary corrective action required by the department or third-party entity and shall cooperate by providing the department or third-party entity with all necessary reports, information and documents as required to assure compliance.

(d) When the department or a third-party entity has determined a manufacturer can no longer assure or maintain compliance with the requirements of this subchapter for factory-built housing produced for sale in California, the department may:

- (1) Rescind a manufacturer's approved quality assurance manual(s) and plans.
- (2) Confiscate department insignia of approval stored at the manufacturing facility.
- (3) Void or remove insignia applied to finished product.
- (4) Take other administrative action as described in Article 6.

(e) When a manufacturer discontinues production of an approved product, the manufacturer shall immediately notify the third-party entity or department and shall return all insignia allocated for such product.

(f) Each manufacturer shall allow the department or third-party entity to inspect its manufacturing facility to verify compliance with the provisions of this subchapter and

quality control manual. Inspections may include, but are not limited to; the factory-built housing product, any materials used for construction, methods of storage, the entire manufacturing process, approved plans, manuals, reports, and books and records related to manufacturing factory-built housing and the inspection of factory-built housing.

Note: Authority cited: Sections 47003.5 and 19990, Health and Safety Code. Reference: Sections 19980, 19981, 19983, 19991 and 19990, Health and Safety Code.

5. Adopt new Section 3019 as shown.

§ 3019. General Operating Procedures and Requirements.

(a) Each third-party entity shall maintain a current copy of the California laws and regulations, including any documents incorporated by reference, which are applicable to the manufacture of factory-built housing units.

(b) Each inspecting agency inspector shall have all applicable California laws, regulations and documents incorporated by reference; and, approved plans and manuals readily available on the premises while conducting inspections or monitoring quality control programs.

(c) Each third-party entity shall prepare a written report of any unresolved dispute between a manufacturer and the third-party entity when it relates to the requirements of factory-built housing law or this subchapter. The report shall be transmitted to the department no later than the tenth (10th) day after the unresolved dispute occurred.

(d) The date of transmittal of reports, applications and notices will be the postmarked date issued by the U.S. Postal Service; the date received by private delivery services; or, the date when hand-delivered to the department by the third-party entity.

(e) All reports and notices shall be signed by a representative of the third-party entity who certifies under penalty of perjury to the accuracy of the information provided.

Note: Authority cited: Section 19990, Health and Safety Code. Reference: Section 19990, Health and Safety Code.

6. Adopt new Section 3020 as shown.

§ 3020. Conflict of Interest, Collusion and Fraud.

(a) A third-party entity shall be deemed free of any conflicts of interest, affiliation, influence, and control when all of the following conditions are met.

(1) It has no ownership or managerial affiliation with any supplier or manufacturer of factory-built units and does not engage in the sale or promotion of any such unit.

(2) The results of its work do not accrue financial benefits to the organization via stock ownership in any supplier or manufacturer of factory-built units.

(3) Its owners, directors, management personnel, engineers, architects or inspectors hold no ownership or stock in and receive no stock option from any supplier or manufacturer of factory-built units.

(4) The employment status of its personnel is free of influence or control by any supplier or manufacturer of factory-built units.

(5) It does not perform as a design approval agency for any factory-built unit manufacturer whose plans, designs or manual have been created or prepared in whole or in part by a member of the agency's staff or by a member of the staff of any affiliated organization.

(b) No member of a third-party entity shall take part in any act of collusion or other fraudulent practice with a supplier or manufacturer of factory-built units.

(c) Each third-party entity and quality assurance inspector shall provide the department with a written report of any contract or agreement, written or oral, with any manufacturer who is subject to this subchapter, for any service, which is in addition to services provided by contract under this article. Such reports shall be transmitted to the department no later than ten (10) days after the effective date of the contract or agreement.

Note: Authority cited: Section 19990, Health and Safety Code. Reference: Section 19990, 19991.3 and 19991.4 Health and Safety Code.

7. Repeal existing Section 3020.1 and content as shown. (Contents relocated to Section 3069.)

~~§ 3020.1. — Contract Requirements.~~

~~(a) All contracts, and any amendments thereto, executed between a manufacturer and a design approval agency, shall be in writing, and the agency or agencies shall submit a copy of each contract or amendment thereto to the department no later than ten (10) days after the effective date of the contract.~~

~~(b) In the event of cancellation of any contract executed between a manufacturer and a design approval agency, the design approval agency or quality assurance agency shall notify the department in writing no later than ten (10) days after the cancellation. The written notice shall include an explanation of the circumstances which led to the cancellation by the manufacturer or the Design Approval Agency or Quality Assurance Agency.~~

~~Note: Authority cited: Sections 19990, 19991.3 and 19991.4, Health and Safety Code. Reference: Sections 19991.3 and 19991.4, Health and Safety Code.~~

8. Continue adoption of Section 3021 with amendments as shown.

§ 3021. Compliance.

Plan approval of each model of factory-built housing shall be contingent upon compliance with the requirements of the Factory-Built Housing Law, contained in the Health and Safety Code commencing with Section 19960 and this subchapter. Violation of any of the provisions provision of that law or this subchapter or variations from the approved plans shall be cause for revocation of the plan approval by the department or design approval agency.

~~Note: Authority cited: Sections 17003.5, 19990 and 1991.3, Health and Safety Code. Reference: Sections 19983, 19990, and 19991 and 19991.3, Health and Safety Code.~~

9. Continue adoption of Section 3022 with amendments as shown.

§3022. Field Technical Service.

Any person may request field technical service. Requests for such service shall be submitted to the department in writing, together with required fees as specified in Section 3100 of this subchapter. Requests from out-of-state shall be accompanied by a cashier's check or money order payable to the Department of Housing and Community Development.

Note: Authority cited: Sections ~~47003.5 and~~ 19990, Health and Safety Code. Reference: Sections 19982 and 19990, Health and Safety Code.

10. Repeal existing Section 3022.1 and content as shown. (Contents relocated to Section 3064.)

~~§ 3022.1. Design Approval Agency Certification Application Requirements.~~

~~(a) An application for design approval agency certification must be made to the department in writing and such application shall include the following information and documentation:~~

- ~~(1) An organizational chart of the agency, including reference to any interlocking organizational relationships;~~
- ~~(2) Personnel resumes;~~
- ~~(3) Reports and other documentation indicating capability and capacity to carry out design approval activities;~~
- ~~(4) A statement under penalty of perjury that the agency and its staff have no institutional or contractual relationships with any manufacturer, architect, engineer, or other person or entity which would create the appearance of, or an actual, conflict of interest;~~
- ~~(5) The applicant's proposed contract and fee schedule; and~~
- ~~(6) Documentation necessary to demonstrate the applicant's eligibility to receive public benefits pursuant to chapter 5.5 of this division, beginning with section 5802.~~

~~(b) Reports and other documentation indicating the applicant's capability and capacity to carry out design approval activities shall contain, at a minimum, the following information:~~

- ~~(1) Availability of licensed engineers and architects and other required professional and support staff adequate to process estimated workload;~~
- ~~(2) Prior experience satisfactory to contractors or clients in reviewing and/or preparing plans for factory-built or conventional structures;~~
- ~~(3) Description of proposed review process and procedures to ensure design defects are corrected.~~

~~(c) An application for certification shall be accompanied by fees for certification of design approval agencies as set forth in Section 3060.~~

~~(d) The department reserves the right to request additional documentation and information to make the findings necessary for certification.~~

Note: Authority cited: Sections 19968, 19990 and 19991.3, Health and Safety Code. Reference: 8 U.S.C. Sections 1621, 1641 and 1642; and Sections 19982, 19990 and 19991.2, Health and Safety Code.

11. Repeal existing Section 3022.2 and content as shown. (Contents relocated to Section 3067.)

~~§ 3022.2. Design Approval Agency - Notice of Receipt of Complete Certification Application and Application Review.~~

~~(a) Within 15 days of receiving the application, the department shall review each application for design approval agency certification received pursuant to this subchapter and notify the applicant in writing of either the acceptance of the application for filing, or the rejection of the application due to incompleteness or errors, specifically identifying the incompleteness of errors and what must be done in order to make the application complete and acceptable.~~

~~(b) Within 60 days of receiving a completed application, the department will complete its review of the application and shall grant or deny a certification.~~

~~(c) Nothing in this section shall be construed as preventing the department from requesting additional information or documentation from an applicant after the receipt of a completed application, or from seeking additional information from other persons or entities regarding the applicant's fitness for certification during the 60-day review period.~~

Note: Authority cited: Section 15376, Government code. Reference: Sections 15374-15378, Government code; and Section 19991.3, Health and Safety Code.

12. Repeal existing Section 3022.3 and content as shown. (Contents relocated to Section 3067.)

~~§ 3022.3. Design Approval Agency - Requirements for Certification and Decertification.~~

~~(a) Upon completion of its review of a completed application, the department shall issue a certification if all of the following conditions have been met.~~

~~(1) All of the information required in Section 3022.1 has been provided by the applicant to the department's satisfaction;~~

~~(2) The certification fees required by Section 3060 have been paid;~~

~~(3) The department is satisfied that there is no actual or apparent conflict of interest between any manufacturer, architect, engineer or other person and the applicant;~~

~~(4) The department is satisfied that the applicant's proposed fee structure is not disproportionate with regard to the services to be performed; and~~

~~(5) The department is satisfied that the applicant has the capability and capacity to carry out the activities of this subchapter.~~

~~(b) The certification of a design approval agency shall expire 36 months from the date the certification was issued. Application for recertification shall be as specified in Section 3022.1.~~

~~(c) The department may revoke its certification of a design approval agency for cause. For the purposes of this section, "cause" shall be acts or omissions during the certification process or subsequent to certification which would have resulted in a denial of certification if such acts or omissions had occurred or existed prior to certification.~~

~~(d) A department refusal to issue a certification, or a revocation of certification, shall be subject to an informal administrative appeal before the Director or his or her designee pursuant to Section 3056.~~

Note: Authority cited: Sections 17003.5, 19990 and 19991.3, Health and Safety Code. Reference: Sections 19990 and 19991.3, Health and Safety Code.

13. Repeal existing Section 3022.4 and content as shown. (Contents relocated to Section 3070.)

~~§ 3022.4. Design Approval Agency Reporting Requirements.~~

~~(a) Design Approval Agencies shall prepare and maintain written reports of all design approval activities performed pursuant to this subchapter. Each report shall be maintained for a period of three (3) years from the date of the approval by the design approval agency.~~

~~(b) Upon approval by the design approval agency of each plan, quality control annual or amendment thereto, the design approval agency shall submit a report of such approval to the department. The report shall be submitted concurrent with notification of approval to the manufacturer. The report shall list each plan and manual or amendment to such, which were approved. The report shall be on form HCD 309(A), Factory-Built Housing Notification of Plan Approval, dated March, 1989, and provided by the department and shall contain the following information:~~

- ~~(1) Identification, address and telephone number of the design approval agency.~~
- ~~(2) The name, address, telephone number and identification number of the manufacturer.~~
- ~~(3) The assigned plan approval number.~~
- ~~(4) The date of the approval and signature of the approving officer.~~
- ~~(5) The expiration date of the approval.~~
- ~~(6) An indication of the types of units, for which plans are approved.~~
- ~~(7) The location and telephone number of the manufacturing plant.~~
- ~~(8) The date of the report.~~
- ~~(9) The application number and the date it was received.~~
- ~~(10) The model number for each unit and a description of the work or the change in the work outlined in the plan.~~

~~(c) By the fifteenth day of each month and on form HCD-FB 309(C) Factory Built Housing Design Approval Agency Monthly Activity Report, dated December 89 and provided by the department, a Design Approval Agency shall prepare and transmit to the department the following information:~~

- ~~(1) The Design Approval Agency name, address, agency number and telephone number.~~
- ~~(2) The reporting month and year.~~
- ~~(3) The date that the report was prepared.~~

- ~~(4) The name and identification number of each client manufacturer served in the previous month.~~
- ~~(5) The total number of plans, plan renewals, plan amendments, manuals and manual amendments approved for each client manufacturer served in the previous month.~~
- ~~(6) The total number of plans, plan renewals, plan amendments, manuals and manual amendments rejected for each client manufacturer served in the previous month.~~
- ~~(7) The subtotal(s) of all plans, plan renewals, plan amendments, manuals and manual amendments approved or rejected on page(s) 1 and/or 2.~~
- ~~(8) The grand total number of all plans, plan renewals, plan amendments, manuals and manual amendments approved or rejected by adding the subtotals on pages 1 and/or 2.~~
- ~~(9) The fees calculated as follows:~~
- ~~(A) For plans approved, multiply the total number by the fee specified in section 3060(m).~~
- ~~(B) For plan renewals approved, multiply the total number by the fee specified in section 3060(m).~~
- ~~(C) For plan amendments approved, multiply the total number by the fee specified in section 3060(m).~~
- ~~(D) For manuals approved, multiply the total number by the fee specified in section 3060(m).~~
- ~~(E) For manual amendments approved, multiply the total number by the fee specified in section 3060(m).~~
- ~~(10) The total fees attached by adding the fees for plans approved, plan renewals approved, plan amendments approved, manuals approved and manual amendments approved.~~
- ~~(11) The signature and title of the authorized person certifying under penalty of perjury to the accuracy of the information provided.~~
- ~~(12) The date that certification was signed.~~
- ~~(d) The Design Approval Agency shall number the front and back pages on form HCD-FB 309(C) Factory-Built Housing Design Approval Agency Monthly Activity Report, dated December 1989.~~
- ~~(e) Each Design Approval Agency monthly activity report shall be accompanied by a copy of each plan, manual or amendment approved during the previous month and the fee specified by section 3060(m), for each plan, manual or amendment approved during the reporting month.~~

Note: Authority cited: Sections 19990 and 19991.3, Health and Safety Code. Reference: Section 19991.3, Health and Safety Code.

14. Continue adoption of Section 3023 with amendments as shown.

§ 3023. Plan Approval.

- (a) A plan approval shall be obtained from the department or a design approval agency for each model of factory-built housing which is subject to this subchapter.

(b) After obtaining a plan approval, the manufacturer shall notify the department and the inspection agency in writing when he it will commence manufacturing the first units of each approved model.

(c) Separate models shall be provided for each type of construction and shall be shown on a separate set of plans.

(d) Each model shall be uniquely designated.

(e) Upon approval of a plan or quality control manual, the design approval agency shall issue a unique plan approval number for each plan or manual. The plan approval number shall be prefaced by the identification number given to the third-party agency by the department following agency approval in accordance with Section 3061 of this subchapter.

(f) Each page of an approved plan, each page of an amendment, and each manual cover sheet shall be marked or stamped with the word "Approved", along with the name of the design approval agency, the date of approval, the date of expiration and the plan approval number.

(g) The design approval agency shall require an approved plan or manual to be amended in such manner that all superseded information is removed from the plan or manual that bears the agency's mark of approval.

(h) The design approval agency and the manufacturer shall maintain copies of all approvals for a period of three (3) years beyond its expiration.

Note: Authority cited: Sections 47003.5, 19983 and 19990, Health and Safety Code. Reference: Sections 19980, 19983 and 19990, Health and Safety Code.

15. Continue adoption of Section 3024 with amendments as shown.

§ 3024. Application for Plan Approval.

Application by a manufacturer to the department or design approval agency for plan approval of a model shall include all of the following:

(a) ~~Completed~~ A complete plan approval request application in duplicate on forms prescribed by the department or by the design approval agency, as required.

(b) Two (2) copies of a complete sets of plans, calculations, and test data when required and specifications and all substantiating calculations or test data results.

(c) ~~Three~~Two (2) sets of quality control manuals or reference to applicable manuals, which have previously been submitted and approved for prior models.

(d) When either plans or quality control manuals are submitted to the department, the fees shall be as specified in Section ~~3060~~ 3100 of this subchapter.

(e) If the applicant's manufacturing plan plant is out-of-state, the application shall include a statement signed by the applicant that he who agrees to in-plant inspections and that he who will apply for insignia for his factory-built housing pursuant to Section ~~3054~~ 3042 of this subchapter.

Note: Authority cited: Sections 47003.5 and 19990, Health and Safety Code. Reference: Sections 19980, 19983 and 19990, Health and Safety Code.

16. Continue adoption of Section 3025 with amendments as shown.

§ 3025. Nonconforming Application and Plans.

(a) In the event ~~the~~ an application is incomplete or unsuitable for processing, the applicant shall be notified in writing within seven (7) working days of the date it is received by the department or design approval agency. Should the applicant fail to submit a ~~completely~~ corrected application in accordance with the information supplied by the department or design approval agency within ninety (90) calendar days of such notice, the application will be deemed abandoned and all fees submitted will be forfeited to the department or design approval agency. Subsequent submissions shall be treated as a new application.

(b) In the event the plans are incomplete or require corrections, the applicant shall be notified in writing within ~~a median of~~ seven (7) working days of the date the plans are received by the department or design approval agency. Should the applicant fail to submit complete or corrected plans in accordance with the information supplied by the department or design approval agency within one hundred and twenty (120) calendar days of such notice, the plans will be deemed abandoned and all fees submitted will be forfeited to the department or design approval agency. The one hundred and twenty (120)-day limitation may be extended for cause by the department or design approval agency. For the purposes of this section, "cause" may be demonstrated by actions or omissions beyond the control of the applicant which delay final approval. A request for an extension must be initiated by the applicant. Where plans have expired, any resubmittal for plan approval shall be as required for a new application for plan approval.

Note: Authority cited: Sections ~~17003.5 and~~ 19990, Health and Safety Code. Reference: Sections 19980, 19983 and 19990, Health and Safety Code.

17. Amend and relocate Section 3027 to Section 3026 with amendments as shown. (Existing Section 3026, Expiration of Application, has no content)

§ ~~3027~~ 3026. Withdrawal of Application.

If an applicant requests withdrawal of his an application for plan approval from the department, ~~he the applicant~~ may make written request for refund of unspent fees, except that plan filing fees shall not be refundable.

Note: Authority cited: Sections ~~17003.5 and~~ 19990, Health and Safety Code. Reference: Sections ~~19980, 19983 and~~ 19990, Health and Safety Code.

18. Amend and relocate Section 3028 to Section 3027 with amendments as shown.

§ 3028 3027. Plan and Plan Amendment Requirements.

(a) Plans submitted to the department or design approval agency shall indicate every pertinent item necessary for design, manufacture, assembly and installation. The plans shall include, when applicable, dimensions, framing plans, cross sections, details of connections, material specifications, floor plans, designed room use, exterior wall elevations, general notes, methods of installation, and line diagrams, materials and details of electrical, mechanical and plumbing systems. Design calculations shall be submitted separately from the plan sheets.

(b) Plans shall list all applicable design criteria and reference the applicable building standards codes.

(c) Plan sheets shall not be less than 11" x 17" nor more than 30" x 42". The first (1st) sheet shall contain the address of the manufacturer and ~~his~~ its manufacturing plant(s). Each sheet shall be numbered and contain the name of the manufacturer, model designation and a blank space in the lower right hand corner for the stamp of approval. The blank space shall not be less than 3 1/2" wide by 5 1/2" high, except it may be a minimum of 3" x 3" for building component and building system plans.

(d) Except for schematic drawings, plans shall be drawn to a scale of not less than 1/8 inch per foot.

(e) When floor plans are applicable, the manufacturer shall identify separate floor plans based on a specific size, room arrangement, method of construction, location or arrangement or size of plumbing, electrical or mechanical equipment. Any variations, including design loadings shall be shown and properly identified on separate plan sheets.

(f) ~~Plans shall indicate the location on the unit where the department insignia of approval is to be applied.~~ Plans shall identify portions of the project that are not under HCD jurisdiction.

(g) ~~Plans shall include a resume of what installation work is to be done on-site.~~ The approved plans shall include drawings, notes and details describing the installation work, materials and procedures required to be completed on-site, including all of the following:

(1) Location on the unit where the department insignia is located.

(2) Connection details for the units to the foundation.

(3) Structural connections between the units.

(4) All connections and materials required to complete the mechanical and/or utility systems on-site.

(5) Any special conditions affecting other structural elements.

(6) Any connection details and structural connections to existing or site-built structures or dwellings.

(7) A separate plan view drawing depicting the location and type of all vertical and lateral load paths, concentrated loads, required uplift connections and shear transfer details. Details shall be provided in section view to clearly show such load paths from the point of origin to the resisting element of the foundation.

(8) Basic foundation requirements and restrictions, and a methodology for determining vertical and lateral design loads.

(9) All required non-structural connections between sections including weather-resistant materials or components.

(10) The installation plans shall be specific to each model or unit approved, and identified as such.

(h) The installation portion of the approved plans shall be provided to the local building official for use during inspection of the factory-built housing units on-site.

Note: Authority cited: Sections ~~17003.5 and~~ 19990, Health and Safety Code. Reference: Sections ~~19983 and~~ 19990, Health and Safety Code.

19. Repeal existing Section 3029 and content as shown. (Contents relocated to Section 3023(c)(d))

~~§ 3029. Model Designation Requirements.~~

~~(a) Separate models shall be provided for each type of construction and shall be shown on a separate set of plans.~~

~~(b) Each model shall be uniquely designated.~~

Note: Authority cited: Sections ~~17003.5 and~~ 19990, Health and Safety Code. Reference: Section ~~19990,~~ Health and Safety Code.

20. Amend and relocate Section 3031 to Section 3028 with amendments as shown.

§ 3031 3028. In-Plant Quality Control.

(a) Concurrent with the request for plan approval, the manufacturer shall submit to the department or design approval agency two (2) sets of a manual outlining a program of quality control. The program outlined must meet the standards of this subchapter.

(b) The manufacturer shall maintain records for not less than one (1) year after manufacture to substantiate that each unit has been inspected in a manner consistent with the quality control manual and complies with the approved plans.

(c) The manufacturer shall have in-plant inspections performed by one (1) of the following agencies to verify that the units have been produced in accordance with the manufacturer's quality control program and comply with the approved plans.

(1) Where there is a local inspection agency certified by the department, it shall perform the required in-plant inspections and enforce compliance with the quality control manual and plans.

(2) Where there is no certified local inspection agency, the manufacturer may contract with a quality assurance agency approved by the department to maintain a quality assurance program. The approved quality assurance agency shall provide a certification verification that all of the manufacturer's factory-built housing units bearing an insignia of the department have been subject to the quality control program and are in compliance with plans as approved by the department or the design approval agency.

(3) Where there is no certified local inspection agency, the manufacturer may have the department perform the required in-plant inspections, with inspection fees to be paid as specified in Section ~~3064~~ 3101 of this subchapter.

(d) When the in-plant inspections are performed by a certified local inspection agency ~~or an approved quality assurance agency~~, the manufacturer shall permit and the department shall make perform periodic inspections to verify that the units have been produced in accordance with the quality control program and comply with the approved plans. Periodic inspection fees shall be paid by the manufacturer as specified in Section ~~3064~~ 3101 of this subchapter.

Note: Authority cited: Sections ~~17003.5~~ and 19990, Health and Safety Code. Reference: Sections 19983, 19990, 19991.1, ~~and~~ 19991.2, and 19991.4, Health and Safety Code.

21. Repeal existing Section 3032 and content as shown. (Contents relocated to Section 3071)

~~§ 3032.~~ Required Inspections.

The inspection agency as applicable shall make at least the following inspections:

(a) ~~For at least the first ten units of each model, produced at each manufacturing location, all systems including structural, electrical, mechanical and plumbing shall be inspected.~~

(b) ~~Following inspection and approval of the first ten units, each system shall be inspected in at least 25 percent of all units produced thereafter, except the inspection level may be reduced to 10 percent for building components or building systems. The manufacturer shall request written approval from the department before reducing the level of inspection from the initial 100 percent inspection.~~

(c) ~~The manufacturer may request written approval from the department to further reduce the frequency of inspection for building components, when it can be shown that the nature of the product, its end use, or the manufacturing process warrants a lesser inspection frequency.~~

Note: Authority cited: Sections ~~17003.5~~ and 19990, Health and Safety Code. Reference: Sections 19990, 19991.1 and 19991.2, Health and Safety Code.

22. Amend and relocate Section 3033 to Section 3029 with amendments as shown.

~~§ 3033~~ 3029. Quality Control Manual Requirements.

(a) The quality control manual shall ~~conform to~~ include all of the following:

(1) Pages of the manual shall be 8 1/2 " x 11 " in size, consecutively numbered and replaceable.

(2) ~~The manual shall contain an index~~ A table of contents with the design approval agency's stamp of approval on the cover sheet and any revised pages.

(3) ~~The manual shall identify~~ Identify in an organizational chart, the company or corporate officer to be responsible for the personnel responsible for implementing and

maintaining the quality control program. The chart shall indicate the functional relationship to other elements of the manufacturer's organizational structure.

~~(4) The manual shall set forth in detail~~ Details ~~how the manufacturer will maintain his quality control to meet the standards set forth in this subchapter.~~

~~(5) The manual shall specify how the units are identified during production for the purposes of inspection relative to the approved plans. The model, floor plan and design loading, as applicable, shall be indicated~~ A drawing or schematic of the manufacturing facility. The drawing or schematic shall depict the station-by-station description of the sequence, manufacture, and assembly of units.

~~(6) The manual shall specify the procedure for maintaining a record system indicating the type and date of inspections performed on each unit. Copies of the forms to be used shall be included~~ A list of the types of quality control inspections required at each station within the manufacturing facility, including the title of each person responsible for that inspection.

~~(7) The manual shall provide a general outline and/or schematic indicating the sequence of the manufacturing and assembly processes. It shall also indicate the sequence, type, and frequency of the quality control procedures to be instituted~~ A sample of an inspection control card used to document the inspections for each phase of construction on each unit manufactured. The card shall include a complete record of serial numbers, inspection types, inspector's names and title, date inspection approved, violations, corrective actions and reinspections.

~~(8) The manual shall specify the place and method of storage of materials and components, and shall indicate the degree of protection from the weather and the capacity to control such factors as temperature and humidity where required to prevent deterioration of materials~~ The procedures for the use of an inspection control card for each model constructed. Those procedures shall include:

(A) The location on the unit where the card will be placed during manufacturing.

(B) The information, documentation and signatures required to be entered on the card at each phase of construction, and

(C) Storage and retention of completed cards.

~~(9) The manual shall specify the method of storage and support of the completed units at the manufacturing plant and any other location including the site prior to installation~~ The types of system testing and inspection performed and the frequency and location of such testing within the manufacturing facility.

~~(10) The manual shall specify the inspection agency performing the in-plant inspections~~ A description of the system test procedures.

~~(11) If applicable, the manual shall contain either a copy of the contract between the manufacturer and the quality assurance agency, or a signed statement by a responsible officer of the manufacturing company that such an agreement is in force and effect prior to granting of plan approval by the department or design approval agency~~ A complete description of the test equipment to be used, including the calibration and maintenance of such equipment. Documentation should be retained for a minimum period of three (3) years.

(12) How the units are identified during production for the purposes of inspection relative to the approved plans. The model, floor plan and design loading, as applicable, shall also be indicated.

(13) The place and method of storage of materials and components, to include the degree of protection from the weather and, the capacity to control temperature and humidity as necessary to prevent deterioration of materials.

(14) The method of storage, protection and support of the completed sections and units at the manufacturing plant and any other location prior to installation to prevent damage or deterioration of the stored units.

(15) The procedures for possession, storage, attachment, security and control of the department insignia of approval, including procedures to assure insignia are attached only to factory-built housing units manufactured and inspected pursuant to an approved quality assurance system.

(16) The procedures for developing a chronological record of complaints received, complaint resolution, and related notes; and retention for a minimum of 7 (seven) years.

(b) If the in-plant inspections are to be performed by an approved ~~quality assurance inspection~~ agency, the quality control manual shall contain a separate section outlining the quality assurance program to be utilized by the ~~quality assurance inspection~~ agency in carrying out its responsibilities. This section of the manual shall contain at least the following:

(1) A detailed description of how the ~~quality assurance inspection~~ agency will perform the in-plant inspections, including the frequency of the inspections required.

(2) An explanation of how discrepancies noted will be recorded, marked, and how corrections will be obtained by the manufacturer.

(3) Details of how inspection reports ~~are to be made~~ will be submitted to the department, together with samples of ~~forms~~ reports to be used. All inspection reports shall be submitted to the department ~~at least~~ monthly.

(4) An explanation of how ~~certification~~ approval of the factory-built housing is to be made, including a sample of the ~~certification~~ approval document or a facsimile thereof.

~~(5) Specific designation of the approved quality assurance inspector(s) who is to perform the in-plant inspections. If for any reason a designated quality assurance inspector specified in the quality control manual will no longer be assigned, the department shall be notified within 48 hours of such termination, and a replacement shall be designated.~~

Note: Authority cited: Sections 17003.5, 19983 and 19990, Health and Safety Code. Reference: Sections 19983, ~~and 19990~~ and 19991.3, Health and Safety Code.

23. Repeal existing Section 3034 and content as shown. (Contents relocated to Section 3064.)

~~§ 3034. Quality Assurance Agency Requirements for Certification.~~

~~(a) A quality assurance agency prior to certification by the department shall provide at least the following:~~

~~(1) An official request in writing for such certification accompanied by the fee specified in this subchapter.~~

~~(2) An organizational chart setting forth its organizational structure, including reference to any interlocking organizational relationships.~~

~~(3) Documented evidence substantiating that the agency is in the business of inspecting equipment and systems relating to the manufacture of factory-built housing.~~

~~(4) Documented evidence of capability to perform and carry out a quality assurance program.~~

~~(5) A statement under penalty of perjury that the agency is not under the control or jurisdiction of any manufacturer or supplier for any industry affected by the California Factory-Built Housing Law except by contract approved by the department.~~

~~(6) Documentation necessary to demonstrate the applicant's eligibility to receive public benefits pursuant to chapter 5.5 of this division, beginning with section 5802.~~

~~(b) Personnel assigned by the quality assurance agency to make in-plant inspections shall first be certified by the department as a quality assurance inspector.~~

~~(c) The department may revoke its certification of a quality assurance agency or its assigned quality assurance inspector for cause. For the purposes of this section, "cause" shall be acts or omissions during the certification process or subsequent to certification which would have resulted in a denial of certification if those acts or omissions occurred or existed prior to certification. A department revocation may be subject to appeal an informal administrative appeal before the director or his or her designee pursuant to Section 3056.~~

Note: Authority cited: Section 18020, Health and Safety Code. Reference: 8 U.S.C. Sections 1621, 1641 and 1642; and Section 18020, Health and Safety Code.

24. Repeal existing Section 3034.1 and content as shown. (Contents relocated to Section 3072.)

~~§ 3034.1. Quality Assurance Agency Reporting Requirements.~~

~~(a) Quality Assurance Agencies shall prepare and maintain written reports of all inspection activities performed pursuant to this subchapter.~~

~~(b) Each Quality Assurance Agency shall submit a written report to the department, by the fifteenth day of each month. The report shall summarize the inspection activities conducted the previous month for each client manufacturer. The report shall be on form HCD 309(B), Factory-Built Housing Quality Assurance Agency Monthly Report, dated March, 1989, and provided by the department and shall contain the following information:~~

~~(1) The name, address and telephone number of the Quality Assurance Agency.~~

~~(2) The name, address, telephone number and identification number of the manufacturer.~~

~~(3) The location and telephone number of the manufacturing plant.~~

~~(4) The date of the report.~~

~~(5) The month for which inspection activities are being summarized.~~

~~(6) The number and dates of inspection visits.~~

~~(7) A brief narrative assessing the adequacy of the manufacturer's quality control program.~~

~~(8) The signature and title of the officer reviewing the monthly report.~~

~~(9) The number of units approved for Factory-Built Housing insignia during the month for which inspection activities are being summarized, and the serial numbers of those units.~~

~~(10) A copy of each quality assurance inspection report prepared pursuant to Section 3035.1 of this subchapter.~~

~~(c) The quality assurance shall retain all reports, or copies thereof, required by this subchapter, for a period of three (3) years.~~

~~(d) The quality assurance agency shall notify the department of their discovery of units shipped from the location of manufacture without required inspection or insignia, or otherwise not in compliance with the Factory-Built Housing Law or this subchapter. The notification shall be provided in writing within 24 hours of the discovery.~~

~~Note: Authority cited: Sections 19990 and 19991.4, Health and Safety Code. Reference: Sections 19990 and 19991.4, Health and Safety Code.~~

25. Repeal existing Section 3035 and content as shown. (Contents relocated to Section 3063.)

~~§ 3035. Quality Assurance Inspector Requirements for Certification.~~

~~(a) A quality assurance inspector shall, prior to certification by the department, meet the following requirements:~~

~~(1) An application for certification shall be made on forms obtainable from the department and accompanied by fees as specified in Section 3060. The application shall contain a resume of education and work experience.~~

~~(2) Inspection personnel designated to perform the in-plant inspections shall be certified by an examination conducted by the department. The examination will consist of a written test based on the Factory-Built Housing Law, the administrative regulations related thereto, and the building systems employed in the construction of factory-built housing. A minimum rating of 70% must be attained.~~

~~(3) Demonstration of the capability to note construction violations during actual in-plant inspections.~~

~~(4) Demonstration of eligibility to receive public benefits, pursuant to chapter 5.5 of this division, beginning with section 5802.~~

~~(b) The certification of a quality assurance inspector shall expire 36 months from the date of initial certification. Application for recertification shall be as specified in subsection (a)(1).~~

~~(c) The department may revoke its certification of a quality assurance inspector for cause. "Cause" shall be established upon the findings of acts or omissions subsequent to certification which result in the placing of insignia on units or modules which are not in compliance with this subchapter. A department revocation may be subject to an informal administrative appeal before the Director or his or her designee pursuant to Section 3056.~~

~~Note: Authority cited: Sections 17003.5 and 19990, Health and Safety Code. Reference: 8 U.S.C. Sections 1621, 1641 and 1642; and Section 19990, Health and Safety Code.~~

26. Repeal existing Section 3035.1 and content as shown. (Contents relocated to Section 3073.)

~~§ 3035.1. — Quality Assurance Inspector Reporting Requirements.~~

~~(a) As the representative of the quality assurance agency, the quality assurance inspector shall prepare an inspection report at the end of each inspection visit before leaving the location of the inspection.~~

~~(b) A copy of the report shall be provided to the manufacturer before the inspector leaves the location of the inspection and shall include the following information:~~

~~(1) The name of the quality assurance agency, the Quality Assurance Inspector, and the manufacturer.~~

~~(2) The date of the inspection.~~

~~(3) A brief narrative describing the inspection activities, i.e., production, finished units, material storage, test, quality control inspection, etc.~~

~~(4) The model number, plan approval number, serial number and type of each unit inspected.~~

~~(5) The unit location in the production sequence when inspected, including any finished units bearing insignia.~~

~~(6) For each unit inspected or tested, a description of violations observed and action taken to correct the violations and eliminated recurrence.~~

~~(7) An order to hold any unit found to be in violation and which could not be brought into compliance during the inspection visit.~~

~~(8) A brief narrative summarizing the effectiveness of the manufacturer's quality control program and any requirements for needed improvements.~~

~~Note: Authority cited: Sections 19990 and 19991.4, Health and Safety Code. Reference: Section 19991.4, Health and Safety Code.~~

27. Repeal existing Section 3036 and content as shown. (Contents relocated to Section 3074.)

~~§ 3036. — Local Inspection Agency.~~

~~(a) As set forth in Section 19991.1 of the Health and Safety Code, a city or county building department may assume responsibility for in-plant inspections of factory-built housing, when certified by the department.~~

~~(b) In the event the governing body cancels its assumption of responsibility, the department upon receipt of official notice shall assume such responsibility within 30 days.~~

~~(c) The local inspection agency shall authorize the manufacturer to affix the department's insignia of approval, when units have been subject to the quality control program and are in compliance with plans as approved by the department.~~

~~(d) The local inspection agency shall keep a record of what units have been authorized for the affixing of insignia and shall, each month, make a report of such units to the department.~~

~~Note: Authority cited: Sections 17003.5 and 19990, Health and Safety Code. Reference: Sections 19990 and 19991.1, Health and Safety Code.~~

28. Repeal existing Section 3037 and content as shown. (Contents relocated to Section 3075.)

~~§ 3037. Local Inspection Agency Requirements for Certification.~~

~~(a) The governing body electing by ordinance to have its building department assume responsibility for in-plant inspections of factory-built housing shall file a copy of such ordinance with the department.~~

~~(b) After 30 days' written notice to the department and when meeting the department's requirements for certification, the governing body and the local inspection agency shall be advised in writing that enforcement responsibility may be commenced.~~

~~(c) If the department's certification requirements have not been met by the local inspection agency, the governing body and the local inspection agency shall within a reasonable time be advised in writing by the department. Such notification shall set forth in detail the reasons why certification may not be granted.~~

~~(d) The local inspection agency shall designate the person(s) who are to perform the in-plant inspections at each place of manufacture within the political limits of the jurisdiction and provide the department with a resume of each persons education and work experience. If only one person is designated for a particular place of manufacture, the name of a back-up inspector shall be provided. These designations shall be kept current.~~

~~(e) Inspection personnel designated to perform the in-plant inspections shall be certified by an examination conducted by the department. The examination will consist of a written test based on the Factory-Built Housing Law, the administrative regulations related thereto, and the building systems employed in the construction of factory-built housing. A minimum rating of 70% must be attained. Inspection personnel shall also demonstrate capability to note construction violations during actual in-plant inspections.~~

~~(f) The certification of local inspection agency inspectors shall expire 36 months from the date of initial certification. Application for recertification shall be as specified in subsection (e).~~

~~(g) The department may revoke its certification of the local inspection agency or an in-plant inspector for cause. "Cause" shall be established upon the findings of acts or omissions subsequent to certification which result in the placing of insignia on units or modules which are not in compliance with this subchapter. A department revocation may be subject to an informal administrative appeal before the director or his or her designee pursuant to Section 3056.~~

~~Note: Authority cited: Sections 17003.5 and 19990, Health and Safety Code. Reference: Sections 19990 and 19991.1, Health and Safety Code.~~

29. Amend and relocate Section 3038 to Section 3030 with amendments as shown.

~~§ 3038~~ 3030. Identification.

(a) Each factory-built dwelling, dwelling unit, individual dwelling room or combination thereof shall have attached thereto a permanent unit serial number. The unit serial

number shall be visible throughout all phases of construction, including installation at the site. ~~Unit s~~Serial numbers shall consist of at least the following:

(1) ~~Unit s~~Serial numbers for factory-built housing consisting of a single ~~unit~~ section shall be a single serial number, i.e. 1000.

(2) ~~Unit s~~Serial numbers for factory-built housing consisting of two or more ~~units~~ sections shall, for the purpose of identifying each ~~unit~~ section as part of a specific group, conform to the format of:

x-y (z)

where:

x is a serial number common to each ~~unit~~ section in the group,

y is a number or letter identifying a specific ~~unit~~ section within the group, i.e., 1, 2, 3, or A, B, C, etc.,

z is an optional number denoting the total number of ~~units~~ sections in the group.

An example of ~~unit~~-serial numbers for factory-built housing consisting of two ~~units~~ sections would be 1000-1(2) and 1000-2(2).

(b) Building components shall be identified in the factory for the purpose of in-plant and on-site inspection by marking each component with the project, job or plan approval number to assure the insignia is attached to the proper component. Building components are not required to bear serial numbers.

~~(c) Units produced within California which are to be sold or offered for sale outside of California shall be identified~~ Each factory-built housing section shall be identified or marked in the factory by project number or job number to assure the insignia is attached to the proper section.

~~(d) Units produced outside of California, which are to be sold or offered for sale in California by a manufacturer having plan approval issued by the department, shall be specifically identified~~ Each factory-built unit on a production line shall be identified or marked in the factory by project or job number to assure the insignia is attached to the proper unit.

(e) All electrical connections between sections shall be clearly identified in the factory by distinctive markings or labels at their terminations. The labels or markings shall be permanent and shall clearly indicate each electrical circuit's panel of origin and corresponding circuit number.

Note: Authority cited: Sections ~~17003.5 and~~ 19990, Health and Safety Code. Reference: Section 19990, Health and Safety Code.

30. Amend and relocate Section 3039 to Section 3031 with amendments as shown.

§ ~~3039~~ 3031. Insignia of Approval.

(a) Each factory-built ~~dwelling, dwelling unit, individual dwelling room or combination of rooms thereof~~ section, manufactured and shipped or transported separately pursuant to ~~these regulations~~ this subchapter, shall have an insignia of approval attached thereto prior to shipment from the factory or place of manufacture. By placement of the insignia on each unit or section, the manufacturer certifies compliance with the requirements of

this subchapter. The insignia shall be placed in a visible location as shown on the plans and shall contain the following information:

- (1) Name of Manufacturer
- (2) Model Designation
- (3) Unit Serial Number
- (4) Plan Approval Number
- (5) Date of Manufacture
- (6) Insignia ~~Serial~~ Control Number
- (7) Design wind load and exposure, roof live load, and seismic zone.

(b) The insignia shall be purchased from the department or the manufacturer's inspection agency and shall be typed, stamped, or imprinted by the manufacturer inspection agency with the information required by 1, 2, 3, 4, 5 and 7 above, prior to affixing the insignia to the unit.

~~(b)~~(c) Each building component manufactured pursuant to this subchapter shall have an insignia of approval attached thereto prior to shipment from the factory or place of manufacture. The insignia shall be placed in a visible location as shown on the plans and shall contain the plan approval number. The insignia shall be purchased from the department or the manufacturer's inspection agency and shall be typed, stamped, or imprinted by the manufacturer or inspection agency with the plan approval number.

~~(c)~~(d) Insignia shall remain the property of the department and may be confiscated by the department, or the inspection agency in the event of violation of the conditions of approval. In such case, no refund of insignia fees shall be made.

(e) After verification by the local authority having jurisdiction that each unit or section bears department insignia, the insignia may be removed, covered or concealed by finished building material.

Note: Authority cited: Sections ~~17003.5~~ and 19990, Health and Safety Code. Reference: Sections 19980 and 19990, Health and Safety Code.

31. Amend and relocate Section 3040 to Section 3032 with amendments as shown.

§ ~~3040~~ 3032. Application for Insignia Application, Issuance and Administration.

(a) Following receipt of plan approval, the manufacturer shall make application to the department or department-approved inspection agency for insignia for all factory-built housing units manufactured pursuant to this subchapter.

(b) Application for insignia from an inspection agency to the department shall be made on the most current forms HCD-MH 440, Request for Insignia by Quality Assurance Agency provided by the department and shall be submitted in triplicate to the Sacramento Administrative Office accompanied by with the fees as specified in Section ~~3060~~ 3100. The application shall contain the following information:

(1) The quality assurance agency name, agency identification number, address and telephone number.

(2) Identification of whether the type of insignia ordered is either a building component or factory-built dwelling unit.

(3) Number of insignia requested along with the insignia fees described in Section 3100 of this chapter.

(4) Signature of the quality assurance agency's designated insignia administrator.

(5) Upon completion the inspection agency shall mail the form to the department along with the total insignia fees calculated on the form.

(c) After processing, the department shall return a copy of the form to the quality assurance agency with the insignia requested.

(d) Upon receipt of insignia from the department, the inspection agency shall provide the following information on the form:

(1) The date the insignia shipment was received.

(2) The quantity of insignia received.

(3) The numerical sequence of insignia issued beginning with the first insignia control number and including the last insignia control number.

(4) The signature and printed name of the Insignia Administrator, certifying that the insignia received is in satisfactory condition and correct according to type of insignia requested, quantity ordered and numerical sequence. The Insignia Administrator shall also certify to the unsatisfactory condition of insignia received by identifying insignia that is damaged, misprinted, missing, duplicated or possessing other unsatisfactory characteristics and identify the insignia number(s) affected.

(5) Upon completion of Section 3 of the form, the inspection agency shall return the form to the department by the fifteenth (15th) day of the month along with any insignia identified as damaged, misprinted, duplicated or possessing other unsatisfactory characteristics.

(e) The quality assurance agency is responsible for accounting for each insignia received from the department from the time of receipt until issued to a manufacturer. Insignia security procedures shall be established and an Insignia Administrator shall be designated to maintain insignia administration and security.

(f) The quality assurance agency shall require each manufacturer to establish and maintain an insignia security procedure. The quality assurance agency shall refuse to issue insignia to a manufacturer unless the manufacturer establishes and maintains adequate insignia security procedures. If a manufacturer does not establish and maintain adequate insignia security, the quality assurance agency shall affix the insignia to finished and complying units at the time of inspection.

(g) The insignia security procedures established by the quality assurance agency and each manufacturer shall minimize the potential for insignia loss, damage, theft and misappropriation. The procedures shall provide for storage of insignia in a lockable device when the insignia are left unattended. The device shall be of a type which cannot be opened except by a key or combination and except by the Insignia Administrator and shall be of such size or attachment to a floor or wall that it cannot be easily removed from the room where it is kept. The room where insignia are kept shall be locked when unattended. In the case of the manufacturer, the procedure for issuance of insignia shall be restricted to only personnel trained in insignia security procedures.

(h) The quality assurance agency shall not permit a manufacturer to accumulate more than a thirty (30)-day supply of insignia.

(i) The quality assurance agency shall investigate the loss, destruction or misappropriation of insignia, including insignia issued to a client manufacturer. As an

attachment to the report required by Section 3072(b), the quality assurance agency shall submit a written investigative report to the department which identifies any insignia lost, stolen, damaged or misappropriated during the reporting month, and which describes the investigation, the circumstances which led to the occurrence, and the measures taken in order to eliminate a recurrence.

Note: Authority cited: Sections ~~17003.5 and~~ 19990, Health and Safety Code. Reference: Sections 19980 and 19990, Health and Safety Code.

32. Repeal existing Section 3041 and content as shown. (Contents relocated to Section 3072(b)(3) and (9)).

~~§ 3041.~~ Use of Insignia.

~~Each manufacturer shall maintain a record of the use of insignia and shall report monthly to the department regarding such use and the location of each unit produced pursuant to this subchapter.~~

Note: Authority cited: Sections ~~17003.5 and~~ 19990, Health and Safety Code. Reference: Sections ~~19980 and~~ 19990, Health and Safety Code.

33. Amend and relocate Section 3042 to Section 3033 with amendments as shown.

§ 3042 3033. Refund of Insignia Fees.

A manufacturer or inspection agency may request of the department a refund of the fees paid for unused insignia. Such request shall be in writing. The department shall, upon receipt of the insignia, refund the fees paid, less a twenty-five dollar (\$25) handling fee. Fees paid for insignia held longer than two years from date of issuance shall not be subject to refund.

Note: Authority cited: Sections ~~17003.5, 19982 and~~ 19990, Health and Safety Code. Reference: Sections ~~19882, 19980 and, 19982 and~~ 19990, Health and Safety Code.

34. Repeal existing Section 3043 and content as shown. (Contents relocated to Section 3080).

~~§ 3043.~~ Denial of Insignia.

~~Should inspection reveal that a manufacturer is not manufacturing units according to plans approved by the department or Design Approval Agency, and such manufacturer, after having been served with a notice setting forth in what respect the provisions of the plan approval have been violated, continues to manufacture units in violation of the plan approval, application for new insignia shall be denied by the department and the insignia previously issued for units in violation of the plan approval shall be confiscated by the department. Upon proof of compliance satisfactory to the department or design approval agency such manufacturer may resubmit an application for insignia.~~

Note: Authority cited: Sections 17003.5 and 19990, Health and Safety Code. Reference: Sections 19980, 19983 and 19990, Health and Safety Code.

35. Repeal existing Section 3044 and content as shown. (Contents relocated to Section 3081).

§ 3044. Insignia Removal.

In the event that any unit bearing insignia is found to be in violation of the approved plans, the inspection agency may remove the insignia and shall furnish the manufacturer or first user or both with a written statement of such violations.

The manufacturer or first user or both shall request an inspection from the inspection agency after making corrections to bring the unit into compliance before the department shall issue a replacement insignia.

Note: Authority cited: Sections 17003.5 and 19990, Health and Safety Code. Reference: Sections 19980 and 19990, Health and Safety Code.

36. Repeal existing Section 3045 and content as shown. (Contents relocated to Section 3034.)

§ 3045. Lost or Damaged Insignia.

(a) When an insignia becomes lost or damaged, the department shall be notified in writing by the manufacturer. The manufacturer shall also provide the unit's serial number and when possible the insignia number. All damaged insignia shall be promptly returned to the department. Damaged and lost insignia shall be replaced by the department with a replacement insignia on payment of the replacement insignia fees as specified in Section 3060.

(b) Insignia on which information has been incorrectly imprinted may be returned for replacement subject to the replacement insignia fees as specified in Section 3060.

Note: Authority cited: Sections 17003.5 and 19990, Health and Safety Code. Reference: Sections 19980 and 19990, Health and Safety Code.

37. Repeal existing Section 3046 and content as shown. (Contents relocated to Section 3035.)

§ 3046. Evidence of Approval.

The quality control manual must be approved by the department or design approval agency prior to issuance of plan approval.

The approval of the plans and quality control manual shall be evidenced by the stamp of approval of the department or the design approval agency. Approved copies of each shall be returned to the manufacturer and shall be kept at each place of manufacture and made available to department representatives, the design approval agency, the local inspection agency, or representatives of the quality assurance agency. No changes, additions, or deletions to the approved plans and quality control manual shall

~~be acceptable without prior written approval of the department or the design approval agency.~~

~~Note: Authority cited: Sections 17003.5 and 19990, Health and Safety Code. Reference: Sections 19983 and 19990, Health and Safety Code.~~

38. Repeal existing Section 3047 and content as shown. (Contents relocated to Section 3036.)

~~§ 3047. Changes to Approved Plans or Quality Control Manual.~~

~~When the manufacturer proposes to change the approved plans or quality control manual, two sets of the revised plans or quality control manual shall be submitted to the department or design approval agency for approval.~~

~~The submission shall be accompanied by an application made in duplicate on forms prescribed by the department. Where the department is the enforcement agency fees shall be as specified in Section 3060. The application shall contain a narrative description of the proposed change.~~

~~Note: Authority cited: Sections 17003.5 and 19990, Health and Safety Code. Reference: Sections 19982 and 19990, Health and Safety Code.~~

39. Repeal existing Section 3048 and content as shown. (Contents relocated to Section 3037.)

~~§ 3048. Plan Approval Expiration.~~

~~Plan approvals shall expire 36 months from the date of approval by the department or design approval agency. Application for plan approval renewal shall be made in duplicate on forms prescribed by the department together with two sets of plans, calculations, quality control manuals, and test data when required. Where the department is the enforcement agency fees shall be as set forth in Section 3060.~~

~~Note: Authority cited: Sections 17003.5 and 19990, Health and Safety Code. Reference: Sections 19982, 19983 and 19990, Health and Safety Code.~~

40. Repeal existing Section 3049 and content as shown. (Contents relocated to Section 3038.)

~~§ 3049. Existing Plan Approvals.~~

~~When amendments to this subchapter require changes to an approved plan or quality control manual, the department or design approval agency shall notify the manufacturer of these amendments and shall allow the manufacturer 60 days from the date of such notification, or such additional time as the department or design approval agency deems reasonable, in which to submit revised plans or quality control manuals and obtain approval from the department or design approval agency. Submissions made pursuant to this section shall be processed as changes to approved plans or quality control~~

manual. Submissions made after the time period provided shall be processed as a new plan approval.

Note: Authority cited: Sections ~~17003.5~~ and 19990, Health and Safety Code. Reference: Sections ~~19982, 19983~~ and 19990, Health and Safety Code.

41. Amend and relocate Section 3045 to Section 3034 with amendments as shown.

§ ~~3045~~ 3034. Lost or Damaged Insignia.

(a) When an insignia becomes lost, ~~or damaged~~ or misappropriated, the inspection agency shall notify the department ~~shall be notified in writing by the manufacturer~~. The notification manufacturer shall include also provide the unit's serial number and when possible the insignia number. All damaged insignia shall be promptly returned to the department. ~~Damaged~~ The department shall replace damaged and lost insignia ~~shall be replaced by the department~~ with a replacement insignia on payment of the replacement insignia fees as specified in Section ~~3060~~ 3100 of this subchapter.

(b) Insignia on which incorrect information has been incorrectly imprinted may not be returned for replacement, ~~subject to the replacement insignia fees as specified in Section 3060~~

Note: Authority cited: Sections ~~17003.5~~ 19982 and 19990, Health and Safety Code. Reference: Sections ~~19980~~ 19982 and 19990, Health and Safety Code.

42. Amend and relocate Section 3046 to Section 3035 with amendments as shown.

§ ~~3046~~ 3035. Evidence of Approval.

(a) The quality control manual must be approved by the department or design approval agency prior to issuance of plan approval.

(b) The approval of the plans and quality control manual shall be evidenced by the stamp of approval of the department or the design approval agency. Approved copies of each shall be returned to the manufacturer and shall be kept at each place of manufacture and made available to department representatives, the design approval agency, the local inspection agency, ~~or~~ and representatives of the quality assurance agency. No changes, additions, or deletions to the approved plans and quality control manual shall be acceptable without prior written approval of the department or the design approval agency.

Note: Authority cited: Sections ~~17003.5~~ and 19990, Health and Safety Code. Reference: Sections 19983 and 19990, Health and Safety Code.

43. Amend and relocate Section 3047 to Section 3036 with amendments as shown.

§ ~~3047~~ 3036. Changes to Approved Plans or Quality Control Manual.

(a) When If the manufacturer proposes to change the approved plans or quality control manual, two sets of the revised plans or quality control manual shall be submitted to the department or design approval agency for approval. At the sole discretion of the department or design approval agency, the manufacturer may submit changes to the approved plans or quality control manual in digital format.

(b) The submission shall be accompanied by an application made in duplicate on forms prescribed by the department. Where the department is the enforcement agency fees shall be as specified in Section ~~3060~~ 3100 of this subchapter. The application shall contain a narrative description of the proposed change.

Note: Authority cited: Sections ~~47003.5~~ 19982 and 19990, Health and Safety Code. Reference: Sections 19982 and 19990, Health and Safety Code.

44. Amend and relocate Section 3048 to Section 3037 with amendments as shown.

§ ~~3048~~ 3037. Plan Approval Expiration and Renewal.

(a) Plan approvals shall expire a maximum of 36 months from the date of approval by the department or design approval agency. The maximum 36-month expiration date applies to plans approved by the department or design approval agency based on a specific triennial code, e.g., 2013, which have local approvals for assembly during the effective period of that triennial code or the subsequent triennial code, e.g., 2016.

(b) Plans approved by the department or design approval agency based on a specific triennial code, e.g., 2013, which do not have local approvals for assembly prior to the effective date of the subsequent triennial code must be amended for compliance with the subsequent code.

(c) Where the department is the enforcement agency Application for plan approval renewal shall be made in duplicate on forms prescribed by the department together and submitted with two sets of plans, calculations, quality control manuals, and test data when required. Where the department is the enforcement agency f Fees shall be as set forth in Section ~~3060~~ 3100 of this subchapter.

Note: Authority cited: Sections ~~47003.5~~ and 19990, Health and Safety Code. Reference: Sections 19982, ~~19983~~ and 19990, Health and Safety Code.

45. Amend and relocate Section 3049 to Section 3038 with amendments as shown.

§ ~~3049~~ 3038. Existing Plan Approvals and Quality Control Manuals.

(a) When amendments to the Factory-Built Housing Law, this subchapter or changes to the applicable parts of the California Building Standards Code, require changes to an

approved plan or quality control manual, the department or design approval agency shall notify the manufacturer of these amendments and shall allow the manufacturer ~~60~~ 180 days from the date of such notification, or such additional time as the department or ~~design approval agency~~ deems reasonable, in which to submit revised plans or quality control manuals and obtain approval from the department or design approval agency.

(b) Submissions made pursuant to this section shall be processed as changes to approved plans or quality control manual in accordance with Section 3037 of this subchapter.

(c) Submissions made after the time period provided by the department shall be processed as a new plan approval in accordance with Sections 3023 and 3024 of this subchapter.

(d) When the adopted building standards change after a factory-built housing project application is initially approved by a local agency, the factory-built housing unit or units for that project are only required to comply with the standards in effect at the time of that application submittal.

Note: Authority cited: Sections ~~17003.5~~ and 19990, Health and Safety Code. Reference: Sections ~~49982~~, 17922, 19983 and 19990, Health and Safety Code.

46. Amend and relocate Section 3050 to Section 3039 with amendments as shown.

§ ~~3050~~ 3039. Plan Approval Revocation.

(a) A plan approval shall remain in force and effect until revoked.

(b) Automatic revocation of a plan approval shall occur upon expiration, or failure of the manufacturer to obtain approval of changes pursuant to Section ~~3049~~ 3038 of this subchapter.

(c) The department or design approval agency may revoke a plan approval upon finding definite evidence that said plans are inconsistent with these regulations or that the product is not being constructed in accordance with the approved plans and quality control manual. A The holder of a plan subject to revocation may be under this subsection may request subject to an informal administrative appeal before the director or ~~his or her~~ its designee pursuant to Section ~~3056~~ 3083 of this subchapter.

(d) This section shall not be construed to prohibit a manufacturer from submitting, for a new plan approval, a plan which has been revoked as provided in this section.

Note: Authority cited: Sections ~~17003.5~~ and 19990, Health and Safety Code. Reference: Sections ~~49982~~, 19983 and 19990, Health and Safety Code.

47. Amend and relocate Section 3051 to Section 3040 with amendments as shown .

§ ~~3051~~ 3040. Manufacturer Change of Ownership, Name or Address.

(a) ~~When there is~~ Upon a change of ownership, name or address of a ~~manufacturing business~~ manufacturer having department or design approval agency plan approval, the

manufacturer shall notify the department and design approval agency ~~shall be notified in writing of such a change~~ within ten (10) days.

(b) Where the department is the enforcement agency the notification shall be accompanied by fees as specified in Section ~~3060~~ 3100 of this subchapter.

(c) Previously approved plans and quality control manuals containing the correct name and address of the manufacturer and his its plant locations shall be submitted to the department or design approval agency if applicable.

(d) In the event of a change of ownership, application for changes to the approved plans or quality control manual shall not be required if the new owner submits a ~~certification~~ written notification to the department that he it will continue to manufacture in accordance with ~~previously the~~ approved plans and quality control manual, and if applicable, the contract with the existing quality assurance agency will be continued.

(e) In any event other than a change in the ownership, name, or address, an application for changes to the approved plans or quality control manual is required.

Note: Authority cited: Sections ~~47003.5~~ and 19990, Health and Safety Code. Reference: Sections 19982, 19983 and 19990, Health and Safety Code.

48. Adopt Section 3040.5. Amend and relocate Section 3052 to Section 3040.5 with amendments as shown.

§ ~~3052~~ 3040.5. Discontinuance of Manufacture Manufacturer.

When a manufacturer discontinues production of a ~~model having department or design approval agency plan approval~~, the manufacturer shall advise the department and design approval agency of the date of such discontinuance and return all allocated insignia ~~to the department allocated for such discontinued models~~. Refund of insignia fees shall be as specified in Section ~~3060~~ 3033.

Note: Authority cited: Sections ~~47003.5~~ and 19990, Health and Safety Code. Reference: Sections 19980, 19982, 19983 and 19990, Health and Safety Code.

49. Amend and relocate Section 3053 to Section 3041 with amendments as shown.

§ ~~3053~~ 3041. Prototype.

(a) Notwithstanding any other provisions of this subchapter, a manufacturer may build, prior to plan approval, one (1) prototype of each model of a ~~dwelling or individual dwelling room or combination thereof~~ factory-built unit, he it proposes to manufacture provided the unit complies with all of the following:

(1) The manufacturer informs the inspection agency in writing that he it proposes to build a prototype, submitting the proposed unit serial number and a description of his its proposal, ~~and,~~

(2) If the description generally complies with the requirements of this subchapter and the inspection agency provides written approval to build said prototype, ~~and,~~

(3) Requests for inspection are to be made to the inspection agency, ~~and,~~

(4) Where the department is the inspection agency, inspection fees as specified in Section ~~3064~~ 3101 of this subchapter are paid at time of inspection.

(b) The inspection agency, upon request, shall inspect prototypes based upon visual in-plant inspections to determine compliance with the requirements of these regulations.

(c) Upon completion of prototype construction and approval by the inspection agency, the manufacturer shall submit a complete plan of his its prototype to the department or design approval agency for approval. Prototype plans shall be subject to the requirements relating to installation plans.

(d) Insignia shall be purchased by the manufacturer and shall be affixed to the prototype by a representative of the inspection agency, after determination that the unit complies with the requirements of these regulations.

Note: Authority cited: Sections ~~17003.5~~ and 19990, Health and Safety Code. Reference: Sections 19980, 19982, 19983, and 19990, 19991.1 and 19991.2, Health and Safety Code.

50. Amend and relocate Section 3054 to Section 3042 with amendments as shown.

§ ~~3054~~ 3042. Reciprocity.

(a) Except as otherwise specified in this section, the provisions contained in this subchapter shall apply to the manufacturing of factory-built housing units designed, constructed, and intended to be shipped or transported to or from another state which has ~~entered into a reciprocal agreement for in-plant inspections~~ with the State of California, Department of Housing and Community Development.

(b) Any manufacturer ~~who wishes that intends~~ to manufacture and ship factory-built housing units in accordance with the provisions set forth in the reciprocal agreements between any state and the State of California must meet the qualifications established by statute or regulation in such states. Prior to approval to manufacture under reciprocal agreement, the manufacturer shall submit documented evidence that ~~he, it, in fact, does meet such~~ meets those qualifications.

(c) Plan approval shall be obtained from the department or design approval agency for each model of factory-built housing units that ~~which is~~ are to be manufactured under a reciprocal agreement with another state. Where the department is the plan approval agency, fees shall be as specified in Section ~~3060~~ 3100 of this subchapter.

(d) Factory-built housing units manufactured in California under a reciprocal agreement shall be inspected during construction solely by the department. Inspection fees shall be as specified in Section ~~3060~~ 3100 of this subchapter.

(e) Insignia shall be purchased by the manufacturer from each state and shall be affixed to each approved unit section of factory-built housing units. Application for California insignia shall be made on forms ~~obtainable~~ obtained from the department. Fees for reciprocity insignia shall be as specified in Section ~~3060~~ 3100 of this subchapter.

(f) Every manufacturer who ~~wishes~~ intends to ship factory-built units in reciprocity shall first agree in writing, on a form acceptable to each state, to correct any work not done in accordance with approved plans. ~~He~~ and shall assure completion of ~~complete~~ all

corrections within a ~~stipulated~~ specified time period. A copy of the agreement shall be forwarded by the department to the reciprocating state.

~~Every manufacturer when operating under this agreement shall post a bond of sufficient amount to fully cover all work necessary to bring the unit into conformance with the approved plans. The bonding company shall be operating under the laws of both states. The bonding company shall submit a copy of the bond to each state. The bond shall cover any costs incurred by each enforcing state. This shall include attorney's fees, court costs, and other costs necessary to secure the results intended.~~

(g) Approval to build prototypes for shipment under reciprocal agreement shall not be granted.

(h) Upon written notice, ~~this state~~ California or any state having a reciprocal agreement with ~~this State~~ California may terminate the agreement. Such termination shall not occur less than ninety (90) days from the date of written notification nor more than six (6) months following such notification. The exact date of termination is subject to negotiation between such states.

Note: Authority cited: Sections ~~17003.5 and~~ 19990, Health and Safety Code. Reference: Sections 19980, 19983, 19985 and 19990, Health and Safety Code.

51. Repeal existing Section 3054 and content as shown. (Contents relocated to Section 3042.)

~~§ 3054. Reciprocity.~~

~~(a) Except as otherwise specified in this section, the provisions contained in this subchapter shall apply to the manufacturing of factory-built housing designed, constructed, and intended to be shipped or transported to or from another state which has entered into a reciprocal agreement with the State of California, Department of Housing and Community Development.~~

~~(b) Any manufacturer who wishes to manufacture and ship factory-built housing in accordance with the provisions set forth in the reciprocal agreements between any state and the State of California must meet the qualifications established by statute or regulation in such states. Prior to approval to manufacture under reciprocal agreement, the manufacturer shall submit documented evidence that he, in fact, does meet such qualifications.~~

~~(c) Plan approval shall be obtained from the department or design approval agency for each model of factory-built housing which is to be manufactured under reciprocal agreement with another state. Where the department is the plan approval agency, fees shall be as specified in Section 3060.~~

~~(d) Factory-built housing manufactured in California under a reciprocal agreement shall be inspected during construction solely by the department. Inspection fees shall be as specified in Section 3060.~~

~~(e) Insignia shall be purchased by the manufacturer from each state and shall be affixed to each approved unit of factory-built housing. Application for California insignia shall be made on forms obtainable from the department. Fees for reciprocity insignia shall be as specified in Section 3060.~~

~~(f) Every manufacturer who wishes to ship units in reciprocity shall first agree in writing on a form acceptable to each state to correct any work not done in accordance with approved plans. He shall complete all corrections within a stipulated time period. A copy of the agreement shall be forwarded by the department to the reciprocating state.~~

~~Every manufacturer when operating under this agreement shall post a bond of sufficient amount to fully cover all work necessary to bring the unit into conformance with the approved plans. The bonding company shall be operating under the laws of both states. The bonding company shall submit a copy of the bond to each state. The bond shall cover any costs incurred by each enforcing state. This shall include attorney's fees, court costs, and other costs necessary to secure the results intended.~~

~~(g) Approval to build prototypes for shipment under reciprocal agreement shall not be granted.~~

~~(h) Upon written notice, this state or any state having a reciprocal agreement with this State may terminate the agreement. Such termination shall not occur less than 90 days from the date of written notification nor more than 6 months following such notification. The exact date of termination is subject to negotiation between such states.~~

~~Note: Authority cited: Sections 17003.5 and 19990, Health and Safety Code. Reference: Sections 19980, 19983, 19985 and 19990, Health and Safety Code.~~

52. Repeal existing Section 3055 and content as shown. (Contents relocated to Section 3082).

~~§ 3055. — Complaint Investigation.~~

~~Any owner of factory-built housing manufactured pursuant to the provisions of this subchapter may file a written complaint with the department setting forth the items which the owner believes do not comply with the provisions of this subchapter. The department shall make an inspection of the unit indicated in the complaint to be in violation of this subchapter.~~

~~When an inspection reveals that such unit is in violation of any provision of this subchapter, the department shall serve the seller, person responsible for violation, or their agents, a notification setting forth in what respect the provisions of this subchapter have been violated. Violations shall be corrected within 10 days or such longer time as may be allowed by the department, and an inspection shall be requested by the person served with the notification. The request for inspection shall be accompanied by a minimum one hour inspection fee in addition to fees required for the initial inspection pursuant to the complaint. Inspection fees shall be as specified in this Section 3061.~~

~~Should the violations not be corrected within the allotted time, the department may institute legal and/or administrative action as necessary to secure compliance.~~

~~Note: Authority cited: Sections 17003.5 and 19990, Health and Safety Code. Reference: Sections 19990 and 19991, Health and Safety Code.~~

53. Repeal existing Section 3056 and content as shown. (Contents relocated to Section 3083).

§ 3056. Appeal and Hearing Procedures.

~~(a) Any person refused approval, receiving a notice of violation, or who feels aggrieved by application of this subchapter, may request and shall be granted an informal administrative hearing on the matter before the director of the department or his or her duly authorized representative. Such person shall file with the department a written petition requesting a hearing which sets forth a brief statement of the grounds therefor.~~

~~(b) Upon receipt of a petition, the department shall set a time and place for the hearing and shall give the petitioner at least 10 days written notice. The hearing shall commence no later than 30 days after the day on which the petition was filed except that, upon application or concurrence of the petitioner, the department may postpone the date of the hearing for a reasonable time beyond the 30-day period, if in its judgment the petitioner has submitted or the department has a good and sufficient reason for the postponement. Should petitioner fail to appear at the scheduled time and place of the hearing, the department may dismiss the petition without further action or take other action as may be appropriate.~~

~~(c) Upon conclusion of the hearing, the director of the department, or his or her duly authorized representative, shall notify the petitioner in writing of his or her decision in the matter and the reasons therefor, within 45 days.~~

Note: Authority cited: Sections 17003.5, 19995 and 19996, Health and Safety Code. Reference: Sections 19995 and 19996, Health and Safety Code.

54. Adopt new Section 3043 as shown.

§3043. Manufacturer Certification Label.

(a) One (1) certification label is required for each factory-built dwelling, dwelling unit or individual dwelling room.

(b) The certification label shall be permanently displayed inside the unit near the electrical panel, on the inside of a kitchen cabinet door, or any other area readily accessible, visible location. The certification label shall not be placed on an easily removable feature or location.

(c) The manufacturer shall ensure that a certification label is applied to each completed dwelling, dwelling room, individual dwelling room or combination thereof prior to release from the factory.

(d) The following information and statements shall be provided; printed or typewritten on a smudge-resistant certification label in minimum eleven (11) point font:

(1) Manufacturer name and address.

(2) Model or unit plan approval number.

(3) "This unit is designed only to be installed on a permanent foundation and is not designed to be moved once installed."

(4) That the unit is constructed to the California Building Standards Code and edition year.

- (5) Design loads of roof, floor, wind, seismic zone.
(6) Date of manufacture.
(7) Department issued insignia number(s).
(8) The statement, "This Factory-built housing unit [serial number] is not a manufactured home subject to the National Manufactured Housing Construction and Safety Standards Act."
(e) The manufacturer shall forward a hardcopy or digital copy of each certification label to the department and the inspection agency performing inspections within the factory as appropriate. The agency shall retain the copies for a minimum of ten (10) years from the date of manufacture.

Note: Authority cited: Section 19990, Health and Safety Code. Reference: Section 19990, Health and Safety Code.

55. Amend Article 5 to Article 4.

ARTICLE ~~5~~ 4. DESIGN AND FABRICATION

56. Amend and relocate Section 3070 to Section 3050 with amendments as shown.

§ ~~3070~~ 3050. Design and Fabrication.

(a) The design and fabrication of factory-built housing shall be in accordance with the applicable building standards contained in Parts 2, 2.5, 3, 4, 5, 6, and 11 Title 24, California Code of Regulations.

Note: Authority cited: Sections 19990 and 19991, Health and Safety Code. Reference: Section 19990 and 19991, Health and Safety Code.

57. Amend and relocate Section 3071 to Section 3051 with amendments as shown.

§ ~~3071~~ 3051. New Concepts, Alternates and Equivalents.

(a) The provisions of this subchapter are not intended to prevent the use of any ~~alternate new~~ concept, material, appliance, ~~system~~ installation, device, arrangement, or method of construction not specifically prescribed by the California Building Standards Code or this subchapter, provided ~~any such~~ that the alternate ~~or equivalent~~ has been approved by the department or design approval agency.

(b) The department or design approval agency shall approve ~~any such new concept, an alternate or equivalent~~ if it finds that the proposed design is satisfactory and that the ~~concept, material, appliance, installation, device, arrangement, or method, system of~~ if it finds that the proposed design is satisfactory and that each such concept, material, appliance, installation, device, arrangement, or method, work offered complies with the intent of is, for the purpose intended, at least the equivalent of that prescribed in the California Building Standards Code or this subchapter.

~~(c) Whenever there is definite~~ The department or design approval agency shall require evidence that any concept, material, appliance, installation, device, arrangement, system or method of construction does not conform to subdivision (b), or the proposed alternate is at least equivalent to that prescribed in the California Building Standards Code or this subchapter

~~(d) In order to substantiate claims for proposed alternates ~~new concepts, alternates, or equivalents,~~ the department or design approval agency may require tests or proof of compliance to be made at the expense of the ~~manufacturer~~ owner or his the owner's agent by an approved testing agency selected by the owner or the owner's agent. ~~Such action and requirements shall be subject to appeal an informal administrative appeal before the director or his or her designee pursuant to Section 3056.~~~~

Note: Authority cited: Sections ~~17003.5 and~~ 19990, Health and Safety Code. Reference: Sections 19983 and 19990, Health and Safety Code.

58. Amend and relocate Section 3072 to Section 3052 with amendments as shown.

§ ~~3072~~ 3052. Calculations and Test Procedures.

(a) The load-carrying capacity of elements or assemblies shall be established by calculations in accordance with generally established principles of engineering design. However, when the composition or configuration of elements, assemblies or details of structural members are such that calculations of their safe load-carrying capacity and basic structural integrity cannot be accurately determined in accordance with generally established principles of engineering design, structural properties of such members or assemblies may be established by the results of tests acceptable to the department or design approval agency.

(b) When any structural design or method of construction is substantiated by calculations and supporting data, such calculations and supporting data shall be signed by a California licensed architect, or professional engineer and shall be submitted to the department or design approval agency as appropriate.

(c) When the design of factory-built ~~housing unit~~ is substantiated by calculations or tests, all structural plans shall be signed by the architect or engineer in responsible charge of the total design.

(d) When any design or method of construction is substantiated by tests, all such tests shall be performed by an approved testing agency acceptable to the department or design approval agency or shall be directed, witnessed and evaluated by an independent California licensed architect or professional engineer. All test procedures and results shall be reviewed, evaluated and signed by an independent California licensed architect or professional engineer. The approved testing agency, architect or professional engineer shall submit the evaluation of test results, calculations, and recommendations, accompanied by test reports from the laboratory, to the department or design approval agency. The department or design approval agency may require that its representative witness the test.

(e) The manufacturer shall indicate how the units are transported from the factory to the site and provide specific calculations and any other information necessary to substantiate the capability of the unit to resist transportation and installation stresses.

Note: Authority cited: Sections ~~17003.5 and~~ 19990, Health and Safety Code. Reference: Sections 19983 and 19990, Health and Safety Code.

59. Amend and relocate Section 3073 to Section 3053 with amendments as shown.

§ ~~3073~~ 3053. Equipment and Systems.

(a) All equipment and systems shall be subject to the approval of the department or design approval agency and provisions of this subchapter. The department or design approval agency may accept for approval such equipment and systems which are listed or labeled by an approved testing or listing agency. Equipment and systems not listed or labeled may be accepted for approval by the department or design approval agency when it determines such equipment and systems are adequate for the protection of health, safety, and the general welfare and are consistent with the provisions of this subchapter.

(b) Equipment and systems may be disapproved when such equipment and systems, even though listed or labeled by an approved testing or listing agency, are not adequate for the protection of health, safety, and the general welfare and are not consistent with the provisions of this subchapter.

Note: Authority cited: Sections ~~17003.5 and~~ 19990, Health and Safety Code. Reference: Sections 19983 and 19990, Health and Safety Code.

60. Adopt Article 5.

Article 5. THIRD-PARTY APPROVAL AND ENFORCEMENT

61. Continue adoption of Section 3060 (section number only) with new content.

§ 3060. Application and Scope.

The provisions of this article shall apply to third-party agencies, inspectors employed by third-party agencies, and manufacturers of factory-built units and components.

Note: Authority cited: Section 19990, Health and Safety Code. Reference: Section 19990, Health and Safety Code.

62. Continue adoption of Section 3061 (section number only) with new content.

§ 3061. Conditions of Approval for a Design Approval Agency.

(a) In order to be approved by the department as a design approval agency, that agency shall satisfy all of the following criteria.

(1) A design approval agency shall only employ staff qualified to perform the activities of inspecting and approving plans and quality control manuals deemed suitable by the department.

(2) For the inspection of plans for structural systems of factory-built units, a design approval agency shall employ professional engineer(s) or architect(s) registered by the State of California.

(3) A design approval agency shall have the capability to enforce the provisions of California laws and regulations governing the manufacture of factory-built units.

(4) A design approval agency shall have the capability to prepare and submit reports complying with Section 3070 of this subchapter.

(5) A design approval agency shall maintain plans and quality control manuals as well as their amendments. This includes, but is not limited to; record keeping, storage, retrieval of approved plans or manuals and their maintenance along with the ability to distinguish currently approved plans or manuals from those that have been superseded or cancelled.

(6) A design approval agency shall not have any actual or potential conflict of interest as defined in Section 3020 of this subchapter.

(b) An individual applicant applying for approval as a design approval agency shall be qualified to receive public benefits pursuant to Chapter 5.5 of this division, commencing with Section 5802.

Note: Authority cited: Section 19990, Health and Safety Code. Reference: Sections 19983, 19990, and 19991.3 Health and Safety Code.

63. Adopt new Section 3062 as shown.

§ 3062. Conditions of Approval for a Quality Assurance Agency.

(a) In addition to meeting the definition of a quality assurance agency provided in Health and Safety Code Section 19976.05, a quality assurance agency shall satisfy all of the following criteria as a condition of approval.

(1) A quality assurance agency shall only employ inspectors certified by the department to perform inspections and monitoring activities.

(2) A quality assurance agency shall have the ability to inspect factory-built units, monitor quality control programs for compliance with California laws and regulations, and approve plans and quality control manuals.

(3) A quality assurance agency shall have the ability to submit reports complying with Sections 3072, 3072.1 and 3073 of this subchapter.

(4) A quality assurance agency shall be free of actual or potential conflict of interest as defined in Section 3020 of this subchapter.

(b) An individual applicant for quality assurance agency approval shall be qualified to receive public benefits pursuant to Chapter 5.5 of this division, commencing with Section 5802.

(c) The quality assurance agency shall submit, at the request of the Department, any information necessary to verify continued qualification of the quality assurance agency during the quality assurance agencies approval period." compliance with their conditions of approval.

64. Adopt new Section 3063 as shown.

§ 3063. Conditions of Approval for a Quality Assurance Inspector.

(a) The approval of a quality assurance inspector shall expire on the last day of the thirty-sixth (36) month following the month of issuance.

(b) A quality assurance inspector shall meet the following criteria as a conditions of approval:

(1) A quality assurance inspector shall possess at least two (2) years of experience in the construction inspection field inspecting residential dwellings and possess or have the ability to obtain, within twelve (12) months of hire, a residential building inspector or residential plans examiner certification from a nationally recognized building code organization, or;

(2) Inspection personnel designated to perform in-plant inspections may be certified by an examination conducted by the department. Payment of one (1) examination fee shall allow the applicant two attempts to successfully complete the examination. If the applicant is unsuccessful in their initial attempt, the applicant may reschedule the second examination no sooner than two (2) calendar weeks and no later than twelve (12) calendar months from the initial examination date. The examination shall consist of:

(A) A written examination based upon the Factory-Built Housing Law, the Factory-Built Housing Regulations related thereto, and the building systems employed in the construction of factory-built housing. A minimum rating of 70 percent shall be attained, and

(B) A practical knowledge exam to demonstrate the capability to note construction violations during actual in-plant inspections.

(3) A quality assurance inspector shall have the ability, experience and training to inspect and monitor quality control programs for compliance with approved plans, quality control manuals and California laws and regulations regarding factory-built housing units.

(4) A quality assurance inspector shall be responsible for assuring the manufacturing facility is capable of producing factory-built units that comply with its approved quality control program, approved plans, and the applicable California laws and regulations.

(5) A quality assurance inspector, upon discovering any factory-built unit is constructed in violation of approved plans, or California laws or regulations shall ensure that other units built in the same facility are not manufactured with the same deficiencies, and if necessary, ensure compliance with the approved plans.

(6) A quality assurance inspector shall have the ability to prepare clear and legible inspection reports that describe all observed violations, list any corrective action the manufacturer is responsible for ensuing and make all references to the design approval agency- approved plans, quality control manuals, California laws or regulations, and incorporated documents.

(7) A quality assurance inspector shall be free of actual or potential conflicts of interest and shall not be affiliated with, influenced by or controlled by any manufacturer of building components, dwellings, dwelling unit or individual dwelling room.

(c) An individual applicant for approval as a quality assurance inspector shall be qualified to receive public benefits pursuant to Chapter 5.5 of this division, commencing with Section 5802.

Note: Authority cited: Section 19990, Health and Safety Code. Reference: Sections 19990 and 19991.4 Health and Safety Code.

65. Adopt new Sections 3064 with content from Sections 3022.1 and 3034.

§3022.1 3064. Design Approval Agency – Certification Application Requirements. Application for Design Approval Agency and/or Quality Assurance Agency Approval.

(a) An applicant for design approval agency certification must be made to the department in writing and such application shall include the following information and documentation: approval to perform as a design approval agency and/or quality assurance agency pursuant to this article shall make application to the department using form HCD-FBH 307, Application for Factory-Built Housing Program Quality Assurance Agency (QAA) and/or Design Approval Agency (DAA), HCD-FBH 307. The applicant shall provide the following information:

- (1) An organizational chart of the agency, including reference to any interlocking organizational relationships;
- (2) Personnel resumes;
- (3) Reports and other documentation indicating capability and capacity to carry out design approval activities;
- (4) A statement under penalty of perjury that the agency and its staff have no institutional or contractual relationships with any manufacturer, architect, engineer, or other person or entity which would create the appearance of, or an actual, conflict of interest;
- (5) The applicant's proposed contract and fee schedule; and
- (6) Documentation necessary to demonstrate the applicant's eligibility to receive public benefits pursuant to chapter 5.5 of this division, beginning with section 5802.

(1) Indication of whether the application is for an original approval, or approval renewal of a design approval agency and/or quality assurance agency.

(2) The firm and corporate legal or "doing business as" name, business and mailing address, fax number, e-mail, and telephone number(s) of the applicant.

(3) Indication of whether the ownership structure is established as an individual, partnership, corporation or limited liability company.

(4) Identification of any individual owner, partner(s), officer(s), director(s) and major stockholder(s) who will participate in the management or supervision of activities pursuant to this article. If additional space is required for this listing, the applicant shall attach a separate list entitled "Ownership/Management" to form HCD-FBH 307.

(5) On a separate attachment entitled, "Organization," the design approval agency shall provide the following information as applicable:

(A) The name(s) and California license number(s) of the architect(s) or the California registration number(s) of the engineer(s) who will perform the inspection of plans for structural systems of factory-built housing units as specified in Section 3061(b)(a)(2) of this subchapter.

(6) On a separate attachment entitled, "Qualifications," a detailed explanation of the applicant's business activities and how the applicant meets the requirements of Section 3061(a), (c), (d) and (e) of this subchapter.

(7) Attached resumes detailing the education, training and experience for directors, supervisors, managers, engineers, architects, technical staff, insignia administrator and quality assurance inspectors who have not been approved by the department.

(8) The signature and typed or printed name of the highest ranking officer of the agency certifying under penalty of perjury to the accuracy of the information provided.

(9) The date, county and state that approval was executed.

~~(b) Reports and other documentation indicating the applicant's capability and capacity to carry out design approval activities shall contain, at a minimum, the following information:~~

~~(1) Availability of licensed engineers and architects and other required professional and support staff adequate to process estimated workload;~~

~~(2) Prior experience satisfactory to contractors or clients in reviewing and/or preparing plans for factory-built or conventional structures;~~

~~(3) Description of proposed review process and procedures to ensure design defects are corrected.~~

(b) Form HCD-FBH 300, Absence of Conflict of Interest Statement, dated January 2000, shall be attached to form HCD-FBH 307, Application for Factory-Built Housing Program quality assurance agency (QAA) and/or design approval agency (DAA), dated January 2006.

~~(c) An application for certification shall be accompanied by fees for certification of design approval agencies as set forth in Section 3060.~~

(c) The applicant shall present other documentation necessary to determine the applicant's eligibility to receive public benefits pursuant to Chapter 5.5 of this division, commencing with Section 5802.

~~(d) The department reserves the right to request additional documentation and information to make the findings necessary for certification.~~

(d) The application shall be accompanied by the appropriate fees specified in Section 3100 of this subchapter.

~~Note: Authority cited: Sections 19968, 19990 and 19991.3, Health and Safety Code. Reference: 8 U.S.C. Sections 1621, 1641 and 1642; and Sections 19982, 19990 and 19991.2, Health and Safety Code.~~

~~Note: Authority cited: Section 19990, Health and Safety Code. Reference: Sections 19990, and 19991.3 Health and Safety Code.~~

66. Adopt new Section 3064.1 as shown.

§3064.1. Application for Design Approval Agency and/or Quality Assurance Agency Renewal Approval

(a) The approval of a design approval agency and/or quality assurance agency shall expire on the last day of the thirty-sixth (36) month following the month of issuance.

(b) A design approval agency and/or quality assurance agency seeking renewal of department approval shall make application using form HCD-FBH 307, Application for Factory-Built Housing Program quality assurance agency (QAA) and/or design approval agency (DAA), dated January 2006.

(c) The design approval agency and/or quality assurance agency renewal applicant shall provide the following information:

(1) Indication that the application is for renewal of a design approval agency and/or quality assurance agency.

(2) The firm and corporate legal or "doing business as" name, business and mailing address, fax number, e-mail and telephone number(s) of the applicant.

(3) Indication of whether the ownership structure is established as an individual, partnership, corporation or limited liability company.

(4) Identification of any individual owner, partner(s), officer(s), director(s) and major stockholder(s) who will participate in the management or supervision of activities pursuant to this article. If additional space is required for this listing, the applicant shall attach a separate list to form HCD-FBH 307.

(5) On a separate attachment entitled, "Organization," the design approval agency and/or quality assurance agency shall provide the following information as applicable:

(A) The name(s) and California license number(s) of the architect(s) or the California registration number(s) of the engineer(s) who will perform the inspection of plans for structural systems of factory-built units as specified in Section 3061(a)(2) of this subchapter.

(B) Attached resumes detailing the education, certifications, training and experience for directors, supervisors, managers, engineers, architects, technical staff who were not previously approved by the department.

(C) The signature and typed or printed name of the highest-ranking officer of the ownership certifying under penalty of perjury to the accuracy of the information provided.

(D) The date, county and state that approval was executed.

(d) Form HCD-FBH 300, Absence of Conflict of Interest Statement, dated January 2000 shall be attached to form HCD-FBH 307, Application for Factory-Built Housing Program quality assurance agency (QAA) and/or design approval agency (DAA), dated January 2006.

(e) The application shall be accompanied by renewal fees as specified in Section 3100 of this subchapter.

(f) Renewal applications shall be submitted to the department at least ninety (90) days prior to the current approval expiration date.

Note: Authority cited: Section 19990, Health and Safety Code. Reference: Sections 19990, and 19991.3 Health and Safety Code.

67. Adopt new Section 3066 with content from Section 3035.

§ 3066. Application for Quality Assurance Inspector Approval.

(a) An applicant for approval to perform as a quality assurance inspector shall apply to the department using HCD–FBH 305, Application for Factory-Built Housing Quality Assurance Inspector, dated January 2006. The applicant shall provide the following information:

(1) Indication of whether the application is for a quality assurance inspector original approval or approval renewal.

(2) The name, business address, telephone number and email of the applicant.

(3) The name, address, telephone number and email of the quality assurance agency employing or to employ the applicant.

(4) An attached resume detailing the education, training, certification(s) and experience of the applicant which demonstrates the applicants ability to meet the requirements of Section 3063 of this subchapter.

(5) The date, county and state that approval was executed.

(b) A completed form HCD–FBH 300, Absence of Conflict of Interest Statement, dated January 2000, shall be attached to form FBH 305, Application for Factory-Built Housing quality assurance inspector, dated January 2006.

(c) The applicant shall present documentation necessary to determine the applicant's eligibility to receive public benefits pursuant to Chapter 5.5 of this division, commencing with Section 5802.

(d) The application shall be accompanied by the appropriate fees specified in Section 3100 of this subchapter.

Note: Authority cited: Section 19990, Health and Safety Code. Reference: Section 19990 and 19991.4 Health and Safety Code.

68. Adopt new Section 3066.1 as shown.

§ 3066.1 Application for Quality Assurance Inspector Renewal Approval.

(a) The approval as a quality assurance inspector shall expire on the last day of the thirty–sixth (36) month following the month of issuance.

(b) A quality assurance inspector seeking renewal shall make application using HCD–FBH 305, Application for Factory-Built Housing Quality Assurance Inspector, dated January 2006.

(c) The application for renewal shall contain the following:

(1) Indication the application is for renewal.

(2) The name, business address, telephone number and email of the applicant.

(3) The name of the quality assurance agency(s) employing the applicant.

(4) A completed and signed Form HCD–FBH 300, Absence of Conflict of Interest Statement, dated January 2000, including the date, county and state that certification of absence of conflict of interest was executed.

(d) The application shall be accompanied by fees specified in Section 3100 of this subchapter.

(e) Renewal applications shall be transmitted to the department at least ninety (90) days prior to the current certifications approval expiration date.

Note: Authority cited: Section 19990, Health and Safety Code. Reference: Sections 19990 and 19991.4 Health and Safety Code.

69. Adopt new Sections 3067 with content from Sections 3022.2 and 3022.3.

§ 3067. Application Processing Time for Original, and Renewal of Approvals.

(a) Within 15 calendar days of receipt of an application pursuant to Sections 3064, 3064.1, 3066, or 3066.1 of this subchapter, the department shall inform the applicant in writing the application is complete and acceptable for filing or it is deficient and what specific information or documentation is required to complete the application. An application is considered complete if it complies with the provisions of either Sections 3064, 3064.1, 3066 or 3066.1 of this subchapter, as applicable.

(b) If an application is rejected as incomplete or requiring correction, an applicant shall have 60 calendar days from the notice of rejection to correct and resubmit the application, and the application will be processed without additional fees. If no response is received within those 60 days, the fees will be forfeited and a new application shall be required.

(c) Within 60 calendar days from the date of filing of a complete application, the department shall inform the applicant in writing of its decision regarding the application.

(d) Nothing in this section shall be construed as preventing the department from requesting additional information or documentation from an applicant after the receipt of a complete application, or from seeking additional information from other persons or entities regarding the applicant's qualifications for approval during the 60-day review period.

Note: Authority cited: Section 19990, Health and Safety Code. Reference: Sections 19982 and 19990 Health and Safety Code.

70. Adopt new Section 3067.1 as shown.

§ 3067.1. Third-Party Entity and Quality Assurance Inspector Conditions for Withdrawal of Approval.

(a) The approval of a third-party entity or quality assurance inspector shall expire thirty-six (36) months from the date the approval was issued.

(b) The department may deny, suspend or revoke a third-party entity or quality assurance inspector's approval for cause. For the purposes of this Subchapter, "cause" shall be acts or omissions during the approval process, subsequent to approval, or as listed below which would have resulted in a denial of approval if such acts or omissions had occurred or existed prior to approval.

(c) The department may also deny, suspend, or revoke approval if the department finds the quality assurance agency has employed or contracted with uncertified inspectors, or if the third-party entity or quality assurance inspector has:

(1) Failed to control and provide for the security of department insignia.

(2) Failed to perform plan review or inspection in accordance with the requirements of this subchapter.

(3) Failed to maintain records or submit reports in accordance with the requirements of this subchapter.

(4) Entered into a conflict of interest with any person, manufacturer or supplier, in violation of Section 3020 of this subchapter.

(5) Submitted false information in the application for approval or renewal, or monthly reports, or any other documentation required by the department.

(6) Committed any other act or omission in violation of this Subchapter or Part 6 of Division 13 (commencing with Section 19960) of the Health and Safety Code.

(d) An informal administrative appeal is available to an applicant for third-party entity or quality assurance inspector approval, or an existing third-party agency or quality assurance inspector when the department denies, suspends or revokes an approval for reasons stated in this section. The appeal will be heard before an authorized representative of the Department pursuant to Section 3083 of this subchapter.

Note: Authority cited: Section 19990 and 19996, Health and Safety Code. Reference: Sections 19982, 19990, 19991.3, 19991.4, 19995, and 19996 Health and Safety Code.

71. Adopt new Section 3068 as shown.

§ 3068. Required Reporting of Name, Address, Ownership and Staff Changes.

(a) A third-party entity or quality assurance inspector shall notify the department in writing of all business name, ownership, or address changes no later than ten (10) calendar days after the effective date of such change. The appropriate fee specified in Section 3100 of this subchapter shall accompany the notification. If the third-party entity

or quality assurance inspector is also approved under Subchapter 2 of this Chapter, only one fee is required to update both approvals.

(b) Whenever a third-party entity hires a new employee to perform as a director, manager, engineer, architect, technical staff, inspector, or insignia administrator, or terminates personnel previously relied upon to meet approval, the third-party entity shall notify the department by filing an application for renewal approval pursuant to Sections 3064.1, or 3066.1 of this subchapter, as appropriate. The application shall be forwarded to the department no later than ten (10) calendar days after the effective date of the change.

(c) Following receipt of a notice or application, pursuant to subsections (a) and (b) in this section, if the department determines that the third-party entity no longer meets the conditions of approval, the department, at its discretion, may terminate the approval pursuant to Section 3067.1 of this subchapter.

Note: Authority cited: Section 19990, Health and Safety Code. Reference: Sections 19982 19990, 19991.3, and 19991.4 Health and Safety Code.

72. Amend and relocate Section 3020.1 to Section 3069 with amendments as shown.

§ 3020.1 3069. Contract Requirements.

~~(a) All contracts, and any amendments thereto, executed between a manufacturer and a design approval agency, shall be in writing, and the agency or agencies shall submit a copy of each contract or amendment thereto to the department no later than ten (10) days after the effective date of the contract.~~

(a) Third-party entities and manufacturers shall execute written contracts describing all services to be rendered by the third-party entity, and all the rights and obligations imposed by this subchapter on each party to the contract pursuant to this article. A copy of any contract or amendment shall be transmitted by the third-party entity to the department no later than ten (10) calendar days after contract execution. "All services rendered", as it relates to this section, is defined as any activity the third-party entity will provide for its client manufacturer. Within fifteen (15) calendar days of receipt of the contract or amendment the department may disapprove the contract if it violates any provision of the factory-built housing law or this subchapter.

~~(b) In the event of cancellation of any contract executed between a manufacturer and a design approval agency, the design approval agency or quality assurance agency shall notify the department in writing no later than ten (10) days after the cancellation. The written notice shall include an explanation of the circumstances which led to the cancellation by the manufacturer or the Design Approval Agency or Quality Assurance Agency.~~

(b) Within ten (10) calendar days of the cancellation, termination, or failure to renew a contract, the third-party entity shall transmit to the department a written notice of the cancellation, termination, or failure to renew and note the circumstances behind such action. The department shall not approve a contract for a new or replacement third-

party entity unless the department has first approved a cancellation, termination or failure to renew notice.

(c) If the department determines that the likely cause for a manufacturer's cancellation of a contract with a third-party entity is related to enforcement actions taken by the third-party entity to assure compliance with the Health and Safety Code, Division 13, Part 6, or this subchapter, the department shall monitor inspections or plan approval activity of any new contract executed by a manufacturer and other third-party entities.

(d) No contract between a quality assurance agency and a manufacturer for inspections of units manufactured in California shall violate the provisions of Section 3071 of this subchapter.

(e) Contracts executed between a manufacturer and a quality assurance agency shall require the manufacturer to provide the quality assurance agency with a written report by at least the tenth (10th) day of each month, which contains the information necessary for the quality assurance agency to comply with Section 3072(b) of this subchapter.

(f) Only one (1) quality assurance agency providing inspection pursuant to this subchapter shall operate under contract with a factory-built unit manufacturer.

(g) The manufacturer may have as many design approval agencies providing design review pursuant to this subchapter as it deems necessary.

(h) Contracts submitted to the department shall contain on the contract cover page or separate attachment, a summary that includes all of the following information:

(1) Third-party agency name.

(2) Third-party agency identification number as provided by the department.

(3) Manufacturer's legal name.

(4) Manufacturer's identification number as provided by the department.

(5) Manufacturer's business name, if different from its legal name.

(6) Manufacturer's physical address or manufacturing location.

(7) The product(s) the manufacturer intends to produce: factory-built housing dwelling units; individual dwelling rooms; or, factory-built housing building components.

(8) Whether the third-party entity will provide either or both services as a quality assurance agency and/or design approval agency.

(9) The effective date that the third-party entity will begin performing services or the effective date of service termination and the reason for contract termination.

(10) Printed name and signature of third-party representative providing such information.

Note: Authority cited: Section 19990, Health and Safety Code. Reference: Sections 19990 Health and Safety Code.

73. Amend and relocate Section 3022.4 to Section 3070 with amendments as shown.

§ ~~3022.4~~ 3070. Design Approval Agency Reporting Requirements.

(a) Design approval agencies shall prepare and maintain written reports of all design approval activities performed pursuant to this subchapter. Each report shall be maintained for a period of three (3) years from the date of the approval by the design approval agency.

~~(b) Upon approval by the design approval agency of each plan, quality control annual or amendment thereto, the design approval agency shall submit a report of such approval to the department. The report shall be submitted concurrent with notification of approval to the manufacturer. The report shall list each plan and manual or amendment to such, which were approved. The report shall be on form HCD 309(A), Factory-Built Housing Notification of Plan Approval, dated March, 1989, and provided by the department and shall contain the following information:~~

- ~~(1) Identification, address and telephone number of the design approval agency.~~
- ~~(2) The name, address, telephone number and identification number of the manufacturer.~~
- ~~(3) The assigned plan approval number.~~
- ~~(4) The date of the approval and signature of the approving officer.~~
- ~~(5) The expiration date of the approval.~~
- ~~(6) An indication of the types of units, for which plans are approved.~~
- ~~(7) The location and telephone number of the manufacturing plant.~~
- ~~(8) The date of the report.~~
- ~~(9) The application number and the date it was received.~~
- ~~(10) The model number for each unit and a description of the work or the change in the work outlined in the plan.~~

~~(b) By the fifteenth (15th) day of each month on form HCD-FB 309(C), Factory-Built Housing Design Approval Agency Monthly Activity Report, dated December 1989, and provided by the department, a Design Approval Agency shall prepare and transmit to the department the following information:~~

- ~~(1) The design approval agency name, address, agency number and telephone number.~~
- ~~(2) The reporting month and year.~~
- ~~(3) The date that the report was prepared.~~
- ~~(4) The name and identification number of each client manufacturer served in the previous month.~~
- ~~(5) The total number of plans, plan renewals, plan amendments, manuals and manual amendments approved for each client manufacturer served in the previous month.~~
- ~~(6) The total number of plans, plan renewals, plan amendments, manuals and manual amendments rejected for each client manufacturer served in the previous month.~~
- ~~(7) The subtotal(s) of all plans, plan renewals, plan amendments, manuals and manual amendments approved or rejected on page(s) 1 and/or 2.~~
- ~~(8) The grand total number of all plans, plan renewals, plan amendments, manuals and manual amendments approved or rejected by adding the subtotals on pages 1 and/or 2 totals from subparagraphs (6) and (7).~~
- ~~(9) The fees calculated as follows:
 - ~~(A) For plans approved, multiply the total number by the fee specified in Section 3060(m)-3100 of this subchapter.~~
 - ~~(B) For plan renewals approved, multiply the total number by the fee specified in Section 3060(m)-3100 of this subchapter.~~
 - ~~(C) For plan amendments approved, multiply the total number by the fee specified in Section 3060(m)-3100 of this subchapter.~~~~

(D) For manuals approved, multiply the total number by the fee specified in Section ~~3060(m)~~ 3100 of this subchapter.

(E) For manual amendments approved, multiply the total number by the fee specified in Section ~~3060(m)~~ 3100 of this subchapter.

(10) The total fees attached by adding the fees for plans approved, plan renewals approved, plan amendments approved, manuals approved and manual amendments approved.

(11) The signature and title of the ~~authorizing person~~ responsible for certifying under penalty of perjury to the accuracy of the information provided.

(12) ~~The date that certification was signed~~ Signature date.

~~(d)(c)~~ The Design Approval Agency shall number the front and back pages on form HCD-FBH 309(C), Factory-Built Housing Design Approval Agency Monthly Activity Report, dated December 1989.

~~(e)(d)~~ Each design approval agency monthly activity report shall be accompanied by a copy of each plan, manual or amendment approved during the previous month and the fee specified by Section ~~3060(m)~~ 3100 of this subchapter, for each plan, manual or amendment approved during the reporting month. Plans, quality control manuals and amendments thereto may be submitted digitally to the Factory-built Housing Program.

Note: Authority cited: Sections 19990 and 19991.3, Health and Safety Code. Reference: Section 19991.3, Health and Safety Code.

74. Amend and relocate Section 3032 to Section 3071 with amendments as shown.

§ 3032 3071. Required Inspections.

~~The inspection agency as applicable shall make at least the following inspections:~~

~~(a) For at least the first ten units of each model, produced at each manufacturing location, all systems including structural, electrical, mechanical and plumbing shall be inspected.~~

(a) In order to certify a manufacturing facility, a quality assurance agency shall inspect:

(1) One hundred percent (100%) of the first (1st) ten (10) building components of each model. Such inspections shall continue until the manufacturer has demonstrated the ability to consistently manufacture building components in compliance with the law and this subchapter as the result of an effective quality control program prescribed in an approved quality control manual. At such time, the quality assurance agency shall prepare and transmit to the department a Certification Report, which complies with the provisions of Section 3072(e) and the inspection frequency may be reduced as prescribed in Section 3071(a)(2)

(2) Following one-hundred percent (100%) inspection and approval of one-hundred percent (100%) of the first (1st) ten (10) building components, the manufacturer may request approval to reduce the level of inspections to at least twenty-five percent (25%) of all building components of that model produced thereafter. Written approval shall be

requested by the manufacturer from the department or quality assurance agency before reducing the level of inspection from the initial one-hundred percent (100%) inspection.

(3) One hundred percent (100%) of the first (1st) five (5) dwellings, dwelling units, individual dwelling rooms or combination thereof, of each model, while under construction. Such inspections shall continue until the manufacturer has demonstrated the ability to consistently manufacture units in compliance with the law and this subchapter as the result of an effective quality control program prescribed in an approved quality control manual. At such time, the quality assurance agency shall prepare and transmit to the department a Certification Report, which complies with the provisions of Section 3072(e) and the inspection frequency may be reduced as prescribed in Section 3071(c).

(b) Following inspection and approval of the first ten units, each system shall be inspected in at least 25 percent of all units produced thereafter, except the inspection level may be reduced to 10 percent for building components or building systems. The manufacturer shall request written approval from the department before reducing the level of inspection from the initial 100 percent inspection.

(b) A quality assurance agency shall monitor each manufacturer's quality assurance program a minimum of every four (4) months to maintain facility certification. During each inspection, the quality assurance agency shall monitor compliance by inspecting the manufacturer's documented procedures for material storage, inspection, quality control and system testing as prescribed in the manufacturer's approved quality control manual.

(c) The manufacturer may request written approval from the department to further reduce the frequency of inspection for building components, when it can be shown that the nature of the product, its end use, or the manufacturing process warrants a lesser inspection frequency.

(c) For certified manufacturing facilities, each dwelling unit, individual dwelling rooms or combination thereof designated for sale in California, shall be inspected by the department or quality assurance agency at least twice during its construction. Inspections shall be conducted by monitoring compliance to the approved plans and quality assurance manual.

(d) If during the course of manufacturing the department or quality assurance agency discovers factory-built units constructed in violation to the approved plans, the manufacturer shall correct such violations in each factor-built units and shall also correct the same or similar violations that occur in other factor-built units manufactured. If such violations continue, the department or quality assurance agency shall increase the frequency of the inspections until such time it is satisfied that the manufacturer is capable of consistently manufacturing factor-built units in compliance with the California Factory-Built Housing Law and this subchapter as a result of an effective quality control program.

(e) Except as described for prototypes in Section 3041 of this subchapter, manufacturing shall not begin without first obtaining plan approval from the department or design approval agency. Factory-built units discovered during the course of manufacturing without plan approval shall be held for inspection until the manufacturer obtains design approval. The manufacturer shall make concealed construction available

for inspection, at the manufacturer's expense, and shall be responsible for correcting violations discovered in units constructed without plan approval.

Note: Authority cited: Sections 47003.5 and 19990, Health and Safety Code. Reference: Sections 19990, 19991.1 and 19991.2, Health and Safety Code.

75. Amend and relocate Section 3034.1 to Section 3072 with amendments as shown.

§ 3034.1 3072. Quality Assurance Agency Reporting Requirements.

(a) Quality assurance agencies shall prepare and maintain written reports of all inspection activities performed pursuant to this subchapter.

(b) Each quality assurance agency shall submit a written report to the department, by the fifteenth (15th) day of each month. The report shall summarize the inspection activities conducted the previous month for each client manufacturer. The report shall be on form HCD 309(B), Factory-Built Housing Quality Assurance Agency Monthly Report, dated March 1989, and provided by the department and shall contain the following information:

- (1) The name, address and telephone number of the quality assurance agency.
- (2) The name, address, telephone number and identification number of the manufacturer.
- (3) The location and telephone number of the manufacturing plant.
- (4) The date of the report.
- (5) The month for which inspection activities are being summarized reported.
- (6) The number and dates of inspection visits on-site inspections.
- (7) A brief narrative assessing the adequacy of the manufacturer's quality control program.
- (8) The signature and title of the officer reviewing the monthly report.
- (9) The number of units approved for Factory-Built Housing to bear insignia during the month for which inspection activities are being summarized reported, and the serial numbers of those units.

(10) The quality assurance agency shall notify the department of any corrections to previously submitted forms HCD-MH 441 and 441B, Quality Assurance Agency Monthly Inspection and Insignia Issuance Summary for building component, dwelling, dwelling unit or individual dwelling rooms, dated May 1989, by submitting form HCD-MH 444, Quality Assurance Agency Adjustment Report for building component, dwelling, dwelling unit or individual dwelling room, dated May 1989. The Adjustment Report (HCD-MH 444) shall contain the following information:

(A) The quality assurance agency name, agency number, address and telephone number.

(B) The month and year of the adjusted report.

(C) The name, identification number, plant address and telephone number of the manufacturer.

(D) The signature and printed name and title of the authorized person, certifying under penalty of perjury that the information contained in the report and any and all attachments to the report is true and correct.

- (E) The date that the approval was signed.
- (F) The make, model and complete serial number of the unit corrected.
- (G) The plan approval number of unit corrected or inspection pursuant to Section 3071 of this subchapter as appropriate.
- (H) Identification of whether the factory-built unit is a building component, dwelling, dwelling unit or individual dwelling room.
- (I) The California insignia number and date of manufacture.
- (J) The location in the manufacturing process when inspected.
- (K) The name and address of the purchaser.
- (L) The name, street address, city, state and ZIP code of the unit's destination.
- ~~(10)~~(11) A copy of each quality assurance inspection report prepared pursuant to Section 3073 of this subchapter.
- (c) The quality assurance agency shall retain all reports, or copies thereof, required by this subchapter, for a period of three (3) years.
- ~~(d) The quality assurance agency shall notify the department of their discovery of units shipped from the location of manufacture without required inspection or insignia, or otherwise not in compliance with the Factory-Built Housing Law or this subchapter. The notification shall be provided in writing within 24 hours of the discovery.~~
- (d) Each manufacturer shall maintain a record of the use of insignia and shall report monthly to the department regarding such use and the location of each unit produced pursuant to this subchapter.
- (e) A Certification Report, pursuant to section 3071(a)(3), shall include the following information:
- (1) Identification of the quality assurance agency and the manufacturer.
 - (2) The date of the report.
 - (3) A narrative which describes the inspections, dates of each inspection, observations, an assessment of the manufacturer's quality control program and compliance with approved plans, manuals, and applicable law or regulation, and which provides justification for a reduction in the frequency of inspection.
 - (4) A narrative which explains the insignia security procedures adopted by the manufacturer and which assesses their effectiveness.
 - (5) As an attachment, a copy of each inspection report associated with the certification of the manufacturing facility.
- (f) A quality assurance agency shall inspect each manufacturers quality assurance program a minimum of every four (4) months in order to maintain facility certification.

Note: Authority cited: Sections 19990, Health and Safety Code. Reference: Sections 19990, and 19991.2, Health and Safety Code.

76. Adopt new Section 3072.1 as shown. (Changed relocated contents from Section 3034.1)

§ ~~3034.1(d)~~ 3072.1. Notification of Noncompliance.

The ~~quality assurance inspection~~ agency shall notify the department of their discovery of units ~~released~~ shipped from the location of manufacture without required design approval, inspection, insignia, or otherwise not in compliance with the Factory-Built Housing Law or this subchapter. The notification shall be provided in writing within 24-hours of ~~the~~ discovery.

Note: Authority cited: Sections 19990, Health and Safety Code. Reference: Sections 19990 Health and Safety Code.

77. Amend and relocate Section 3035.1 to Section 3073 with amendments as shown.

§ ~~3035.1~~ 3073. Quality Assurance Inspector Reporting Requirements.

(a) As the representative of the quality assurance agency, the quality assurance inspector shall prepare an inspection report at the end of each inspection visit before leaving the location of the inspection.

(b) A copy of the report shall be provided to the manufacturer before the inspector leaves the location of the inspection and shall include the following legible information:

(1) The name of the quality assurance agency, the quality assurance inspector, and the manufacturer.

(2) The date of the inspection.

(3) A brief narrative describing the inspection activities, i.e., production, finished units, material storage, test, quality control inspection, etc.

(4) The model number, plan approval number, serial number and type of each unit inspected.

(5) The unit location in the production sequence when inspected, including any finished units bearing insignia.

(6) For each unit inspected or tested, a description of violations observed and action taken to correct the violations and eliminated recurrence.

(7) An order to hold any unit found to be in violation and which could not be brought into compliance during the inspection visit.

(8) A brief narrative summarizing the effectiveness of the manufacturer's quality control program and any requirements for needed improvements.

(9) A copy of the inspection report shall be forwarded to the quality assurance agency and included in the monthly report submitted to the department.

Note: Authority cited: Sections 19990 and 19991.4, Health and Safety Code. Reference: Section 19990, Health and Safety Code.

78. Amend and relocate Section 3036 to Section 3074 with amendments as shown.

§ ~~3036-3074.~~ Local Inspection Agency.

(a) As set forth in Section 19991.1 of the Health and Safety Code, a city or county building department may assume responsibility for in-plant inspections of factory-built housing, when certified by the department.

(b) In the event the governing body cancels its assumption of responsibility, the department upon receipt of official notice shall assume such responsibility within 30 days.

~~(c) The local inspection agency shall authorize the manufacturer to affix the department's insignia of approval, when units have been subject to the quality control program and are in compliance with plans as approved by the department. The local inspection agency shall inspect the manufacturing facility in accordance with Section 3071 of this subchapter and shall authorize the manufacturer to affix the department's insignia of approval, when units have been subject to the quality control program and are in compliance with plans as approved by the department.~~

~~(d) The local inspection agency shall keep a record of what units have been authorized for the affixing of insignia and shall, each month, make a report of such units to the department. The local inspection agency shall provide reports as required for quality assurance agencies in Sections 3072 and 3073 of this subchapter.~~

~~(e) The local inspection agency shall notify the department of noncompliance as required in Section 3072.1 of this subchapter.~~

~~(f) The local inspection agency shall keep a record of what units have been authorized for the affixing of insignia and shall, each month, make a report of such units to the department.~~

Note: Authority cited: Sections ~~17003.5 and 19990~~ and 19990.1, Health and Safety Code. Reference: Sections 19990 and 19991.1, Health and Safety Code.

79. Adopt new Section 3075 with content from Section 3037.

§ ~~3037-3075.~~ Local Inspection Agency – Requirements for Certification.

(a) The governing body ~~electing shall elect~~ by ordinance to have its building department assume responsibility for in-plant inspections of factory-built housing and shall file a copy of such ordinance with the department.

(b) After thirty (30) days' written notice to the department and when meeting the department's requirements for certification, the governing body and the local inspection agency shall be advised in writing that enforcement responsibility may commence ~~be commenced~~.

(c) If the department's certification requirements have not been met by the local inspection agency, the governing body and the local inspection agency shall ~~within a reasonable time~~ be advised in writing by the department within thirty (30) days. Such notification shall set forth in detail the reasons why certification ~~may not be~~ was not granted.

(d) The local inspection agency shall designate the person(s) who are to perform the in-plant inspections at each place of manufacture within the political limits of the jurisdiction and provide the department with a resume of each person's education and work experience. If only one (1) person is designated for a particular place of manufacture, the name of a back-up inspector shall be provided. ~~These designations shall be kept current.~~

~~(e) Inspection personnel designated to perform the in-plant inspections shall be certified by an examination conducted by the department. The examination will consist of a written test based on the Factory-Built Housing Law, the administrative regulations related thereto, and the building systems employed in the construction of factory-built housing. A minimum rating of 70% must be attained. Inspection personnel shall also demonstrate capability to note construction violations during actual in-plant inspections. A quality assurance inspector shall meet the following criteria as a condition of approval.~~

(1) Inspection personnel shall possess at least two (2) years of experience in the construction inspection field inspecting residential dwellings and possess or have the ability to obtain, within twelve (12) months of hire, a residential building inspector or residential plans examiner certification from a nationally recognized building code developing organization, or;

(2) Inspection personnel designated to perform in-plant inspections shall be certified by an examination conducted by the department. One (1) examination fee shall allow the applicant two attempts to successfully complete the examination. If the applicant is unsuccessful in their initial attempt, the applicant may reschedule the second examination no sooner than two (2) calendar weeks or and no later than twelve (12) calendar months from the initial examination date. The examination shall consist of:

(A) A written examination based upon the Factory-Built Housing Law, the Factory-Built Housing Regulations related thereto, and the building systems employed in the construction of factory-built housing. A minimum rating of 70 percent shall be attained, and

(B) A practical knowledge exam to demonstrate the capability to note construction violations during actual in-plant inspections.

(3) Inspection personnel shall have the ability, experience or and training to inspect and monitor quality control programs for compliance with approved plans, quality control manuals and California laws and regulations regarding factory-built housing units.

(f) The certification of local inspection agency inspectors shall expire 36 months from the date of initial certification. Application for recertification shall be as specified in Subsection (e) of this section.

(g) The department may revoke its certification of the local inspection agency or an in-plant inspector for cause. "Cause" shall be established upon the findings of acts or omissions subsequent to certification, which result in the placing of insignia on units or modules, ~~which are not in compliance do not comply~~ with this subchapter. A department revocation may be subject to an informal administrative appeal before the director or his or her designee pursuant to Section ~~3056~~ 3083 of this subchapter.

(h) When a local inspection agency proposes changes to personnel responsible for enforcing the provisions of this chapter that agency shall notify the department in writing within thirty (30) days of the date of the changes. The department may perform a

reevaluation to determine whether the personnel have the required knowledge and ability as required by this section.

(i) If the local inspection agency no longer has qualified personnel certified by the department, the certification of the local city or county as a local inspection agency is automatically revoked.

(j) When a local inspection agency changes its address, phone number, or contact personnel, it shall notify the department in writing within thirty (30) days of the change.

Note: Authority cited: Sections ~~47003.5 and 19990~~ and 19990.1, Health and Safety Code. Reference: Sections ~~19990, and 19991.1, 19995 and 19996~~ Health and Safety Code.

80. Adopt new Section 3076 with content from Section 3022.4(a).

§ 3076. Recordkeeping.

(a) A design approval agency shall maintain a copy of all documents approved on the department's behalf for a period of three (3) years beyond its expiration.

(b) A quality assurance agency or local inspection agency shall maintain a copy of all certification labels required by section 3043(a) for a period of three (3) years beyond the date of manufacture of a factory-built unit.

Note: Authority cited: Section 19990, Health and Safety Code. Reference: Section 19990, Health and Safety Code.

81. Amend Article 6.

ARTICLE 6. INSTALLATION ENFORCEMENT

82. Amend and relocate Section 3043 to Section 3080 with amendments as shown.

§ ~~3043~~ 3080. Denial of Insignia.

(a) Should inspection reveal that a manufacturer is not manufacturing units according to plans approved by the department or design approval agency, and such manufacturer, after having been served with a notice setting forth in what respect the provisions of the plan approval have been violated, Any manufacturer that has been given notice of noncompliance with plans approved by the department or design approval agency that continues to manufacture units in violation of the plan approval, application for new insignia shall be denied new insignia by the department and the or quality assurance agency.

(b) Insignia previously issued for units in violation of the plan approval shall be confiscated by the department or inspection agency. Upon proof of compliance satisfactory to the department or design approval agency such manufacturer may resubmit an application for insignia.

Note: Authority cited: Sections 19990, Health and Safety Code. Reference: Sections 19980 and 19990, Health and Safety Code.

83. Amend and relocate Section 3044 to Section 3081 with amendments as shown.

§ 3044 3081. Insignia Removal.

(a) In the event that any unit bearing insignia is found to be in violation of the approved plans, the department or inspection agency may remove the insignia and shall furnish the manufacturer or first user or both with a written statement of such violations.

(b) The manufacturer or first user or both shall request an inspection from the department or inspection agency after making corrections to bring the unit into compliance before the department or quality assurance agency shall issue a replacement insignia.

(c) The manufacturer shall pay the costs of inspection based on the fee schedule in section 3100 .

Note: Authority cited: Section Sections 17003.5 and 19990, Health and Safety Code. Reference: Sections 19980, 19982 and 19990, Health and Safety Code.

84. Continue adoption of Section 3082 with content from Section 3055.

§ 3082. Violations and Remedial Action.

(a) The following procedures apply only to factory-built units containing violations, stored at the manufacturing facility or released from the manufacturer prior to occupancy.

(1) Whenever the department or inspection agency has reason to believe that a factory-built units has failed to conform to the provisions of this subchapter for which the manufacturer is responsible, either the department, or upon direction of the department, the third-party entity shall investigate and notify the manufacturer of the violation.

(2) Whenever the department or third-party entity discovers that more than one (1) factory-built housing unit contains or may contain violations or failures to conform to the provisions of this subchapter, the department will investigate and notify the manufacturer that the failure to conform affects or may affect more than one (1) unit.

(3) The manufacturer shall correct all violations within twenty (20) calendar days or other reasonable period agreed upon by the department.

(4) When a manufacturer fails to correct a violation within the established period, that failure may subject the manufacturer to administrative action, including:

(A) Increased inspection.

(B) Withholding insignia of approval.

(C) Suspension or revocation of approved plans and quality control manual.

(D) Decertification of facility.

(E) Administrative fines.

(5) The department shall be reimbursed by the manufacturer for the costs of its investigation, including travel and administrative time pursuant to Section 3100 of this subchapter.

Note: Authority cited: Section 19990, Health and Safety Code. Reference: Sections 19982, 19990 and 19991, Health and Safety Code.

85. Adopt new Section 3083 with content from Section 3056.

§ ~~3056~~ 3083. Appeal and Hearing Procedures.

~~(a) Any person refused approval, receiving a notice of violation, or who feels aggrieved by application of this subchapter, may request and shall be granted an informal administrative hearing on the matter before the director of the department or his or her duly authorized representative. Such person shall file with the department a written petition requesting a hearing which sets forth a brief statement of the grounds therefor. Any person or entity who has been refused approval or had that approval revoked, received a notice of violation ordering correction of a violation of this subchapter, the Health and Safety Code, or any other applicable provision of law has the right to request an informal hearing on the matter before an authorized representative of the department or that person's designee.~~

~~(b) Upon receipt of a petition, the department shall set a time and place for the hearing and shall give the petitioner at least 10 days written notice. The hearing shall commence no later than 30 days after the day on which the petition was filed except that, upon application or concurrence of the petitioner, the department may postpone the date of the hearing for a reasonable time beyond the 30-day period, if in its judgment the petitioner has submitted or the department has a good and sufficient reason for the postponement. Should petitioner fail to appear at the scheduled time and place of the hearing, the department may dismiss the petition without further action or take other action as may be appropriate. The person requesting the hearing shall submit a written hearing request to the department within ten (10) working days from the date of the refusal of approval or notice of violation.~~

~~(c) Upon conclusion of the hearing, the director of the department, or his or her duly authorized representative, shall notify the petitioner in writing of his or her decision in the matter and the reasons therefor, within 45 days. The written hearing request shall:~~

- ~~(1) Provide the name, address, phone number and email address of the appellant,~~
- ~~(2) Provide the appellant's reasons for requesting a hearing,~~
- ~~(3) Summarize each issue to be disputed at the hearing, and~~
- ~~(4) State the remedy the appellant is seeking.~~

~~(d) Upon receipt of a request for a hearing, the department shall set a time and place for the hearing, shall provide the appellant with written notice of the scheduled time and place of the hearing, and shall provide a statement of the agency's selection of the informal hearing procedures to be applied at the hearing. The department shall include a copy of the agency's informal hearing procedures, as required pursuant to Government Code Sections 11425.10 and 11445.30.~~

~~(1) The department shall provide the time and place of the hearing in a written notice to the appellant within fifteen (15) working days of receipt of the request.~~

~~(2) The hearing shall commence within fifteen (15) working days of the date of the written notice of the scheduled hearing sent by the department.~~

~~(3) The appellant shall have the right to apply to the department for the postponement of the date of the hearing for a reasonable amount of time. The appellant shall provide a good-cause reason for the request.~~

(4) The department shall grant a request for postponement if it determines that the appellant has good-cause reason for the postponement.

(e) In the event that a cited violation constitutes an imminent hazard representing an immediate risk to life, health and safety of persons or property, which requires immediate correction, a hearing shall not be permitted and a request for a hearing shall not extend the time for the correction of the violation.

(f) Upon receipt of the request for hearing, the department shall not initiate any judicial or administrative action related a defect or defects appealed until after the hearing. However, if the defect or defects cited become an imminent hazard representing an immediate risk to life, health, and safety of persons or property, which require immediate correction, the department may cancel the hearing, demand immediate abatement or correction, and initiate any appropriate judicial or administrative action related to the defect or defects.

(g) If the request for hearing is not received within ten (10) days from the date of personal service or acknowledgment of receipt by mail of the notice, the department shall have the discretion to continue administrative proceedings.

Note: Authority cited: Sections 19995 and 19996, Health and Safety Code. Reference: Sections 19995 and 19996, Health and Safety Code.

86. Adopt new Article 7.

ARTICLE 7. INSTALLATION

87. Adopt new Section 3090 as shown.

§ 3090. Pre-Plan Check Agreement.

(a) Prior to the submittal of plans to a Local Enforcement Agency, department-approved third party agencies shall develop a pre-plan check agreement to identify all parties involved in the design and installation of factory-built housing. This agreement shall identify, but not be limited to, the following items and shall be signed by the third party agency and local enforcing agency.

(1) Names, titles and contact information for parties involved.

(2) Project name and location

(3) Project timeframe and applicable version of building standards codes (year)

(4) Required construction-related permits and zoning permits or variances

(5) Identification of all parties responsible for performing the following and other information as required:

(A) Plan review:

(i) Building plans

(ii) Foundation

(iii) Underground utilities

(iv) Non-factory-built structures

(v) Architectural

(vi) Applicable local use zone requirements pursuant to the Health and Safety Code

Section 19993

(vii) Automatic fire suppression sprinkler systems

(B) Inspection:

(i) On-site verification of factory-built housing insignia

(ii) On-site assembly of factory-built structures

(iii) On-site inspection site-built structures and landscaping

(iv) On-site inspection of foundations

(v) On-site testing of systems

(vi) Energy code compliance

88. Adopt new Section 3091 with content from Section 3080.

§ 3080 3091. Enforcement of Installation.

(a) As set forth in Section 19992 of the Health and Safety Code, local enforcement agencies shall enforce and inspect the assembly and installation of factory-built housing in accordance with plans approved by the department or department approved third-party entities.

(b) Upon concluding inspections and providing final approval of the assembly and installation of factory-built units, the local enforcement agency shall issue a certificate of occupancy, or the equivalent, allowing occupancy.

(c) Subsequent to issuance of the certificate of occupancy, the local enforcement agency shall enforce all provisions of applicable law or regulation relating to the installation, erection, construction, reconstruction, movement, enlargement, conversion, alteration, repair, removal, demolition or arrangement of factory-built housing units.

(d) The local enforcement agency may establish a fee by ordinance for the inspection of the installation of factory-built housing.

Note: Authority cited: Sections 19990, Health and Safety Code. Reference: Sections 19990 and 19992, Health and Safety Code.

89. Adopt new Section 3092 with content from Section 3081.

§ 3081 3092. Installation Plans.

(a) A manufacturer of factory-built housing units having plan approval shall furnish a minimum of two (2) complete sets to the installer of the approved factory-built housing plans. The installation plans shall contain the specific procedures to complete the unit

on-site and include all details necessary for assembly and installation. The plans shall note the location on the unit(s) where department insignia of approval and manufacturer certification label are located to the installer, who The installer shall submit at least one (1) set of plans to the local enforcement agency prior to installation. The approved plans will contain a resume of the installation work to be done on-site, and will indicate the location on the unit where the department insignia of approval can be found.

(b) Plans approved by the department or a design approval agency shall be accepted by the local enforcement agency as approved for the purpose of obtaining an installation permit when the design criteria is consistent with the requirements for the locality as determined by the local enforcement agency pursuant to Health and Safety Code Section 19993.

Note: Authority cited: Section 19990, Health and Safety Code. Reference: Sections 19981, 19983, 19990 and 19993, Health and Safety Code.

90. Adopt new Section 3093 with content from Section 3082.

§ 3082 3093. Modifications During Installation.

Pursuant to Section 19981(c) of the Health and Safety Code, no factory-built housing shall be in any way modified during installation unless approval for such modification is first obtained from the local enforcement agency.

Note: Authority cited: Section 19990, Health and Safety Code. Reference: Sections 19981 and 19990, Health and Safety Code.

91. Adopt Article 8.

ARTICLE 8. FEES

92. Adopt new Section 3100 with content from Section 3060.

§ 3060 3100. Fees.

- (a) Plan Fees.
 - (1) Plan Filing Fees.
 - (A) Sixty dollars (\$60) for each new model.
 - (B) Twenty dollars (\$20) for each individually submitted change to an approved plan.
 - (2) Plan Checking Fee Deposit.
 - (A) Three hundred dollars (\$300) for each new model.
 - (B) One hundred and fifty dollars (\$150) for each building component model.
 - (C) The department may require a plan checking fee deposit not exceeding three hundred dollars (\$300) for changes to approved plans. The plan checking fee deposit less actual costs as determined by the department shall be refundable.
 - (3) Plan Checking Fees. Two hundred and three dollars (\$203) provided the plan check does not exceed one (1) hour. When the plan check exceeds one (1) hour, the following fees shall apply:
 - (A) Second and subsequent whole hours: ninety-two dollars (\$92).

- (B) Each thirty (30) minutes, or fractional part thereof: forty-six dollars (\$46).
- (4) Plan Renewal Fee. Sixty dollars (\$60) for plan renewal for each model.
- (5) Plan Renewal Plan Checking Fees. Two hundred and three dollars (\$203) provided the plan renewal plan check does not exceed one (1) hour. When the plan renewal plan check exceeds one (1) hour, the following fees shall apply:
- (A) Second and subsequent whole hours: ninety-two dollars (\$92).
- (B) Each thirty (30) minutes, or fractional part thereof: forty-six dollars (\$46).
- (b) Quality Control Manual. Twenty dollars (\$20) for each individually submitted change to an approved quality control manual.
- (c) Inspection and Technical Service Fees.
- (1) One hundred and ninety-six dollars (\$196) provided the inspection, or technical service does not exceed one (1) hour. When the inspection, monitoring, or technical services exceeds one (1) hour, the following fees shall apply:
- (A) Second and subsequent whole hours: eighty-two dollars (\$82).
- (B) Each thirty (30) minutes, or fractional part thereof: forty-one dollars (\$41).
- (d) Out-of-State Inspection and Technical Service Fees. Fees shall be in accordance with Subsection (c) of this section, plus total travel cost based on published air fare, or equivalent rate, between the point of departure in California and the point of inspection, plus necessary supplemental surface transportation, and reimbursement for food and lodging consistent with ~~the California State Department of Personnel Administration~~ Human Resources.
- (e) Periodic Monitoring Inspection Fees. Periodic monitoring inspection fees shall be paid for inspection time and required travel time from the point of departure in California, in accordance with Subsection (c) of this section. If reinspections are necessary as a result of a periodic monitoring inspection, the reinspection and travel time from the point of departure in California shall be paid in accordance with Subsection (c) of this section. Out-of-state travel costs for periodic monitoring inspections and reinspections shall be paid in accordance with Subsection (d) of this section.
- (f) Insignia Fees.
- (1) Sixty-two dollars (\$62) for each insignia, excepting building components.
- (2) Five dollars (\$5) for each individual building component.
- (3) Sixty-two dollars (\$62) for replacement insignia, excepting building components.
- (4) Five dollars (\$5) for replacement insignia for each individual building component.
- (g) Reciprocal Insignia Fees.
- (1) Insignia fees for units manufactured in California shall be as specified Subsection (f) of this section.
- (2) Two dollars (\$2) for each single family dwelling unit, dwelling unit, individual dwelling room or combination of rooms thereof, shipped from another state under reciprocal agreement.
- (3) Ten cents (\$.10) for each individual building component.
- (h) Out-of-State Approval Fee. Initial plant inspection fee shall be in accordance with Subsection (c) of this section and travel cost based on published air fare, or equivalent rate, between the point of departure in California and the location of the factory plus necessary supplemental surface transportation, and reimbursement for food and lodging consistent with ~~the California State Department of Personnel Administration~~ Human Resources.

(i) Change in Manufacturer Name, Ownership, or Address Fee. Sixty-two dollars (\$62).

(j) ~~Certification Fee—~~ Application for Quality-Assurance Agency Approval. Three hundred and twenty-eight dollars (\$328) for each certification application.

(k) Application for Quality Approval Agency Approval Renewal. Two hundred and eighty-six dollars (\$286) for each renewal application.

(l) ~~Certification Fee—~~ Application for Quality Assurance Inspector Approval. Eight hundred sixty-six dollars (\$866) for each person making request for certification.

(m) Application for Quality Assurance Inspector Approval Renewal. Two hundred and fifty-three (\$253) for each renewal application.

(n) ~~Certification Fee—~~ Application for Design Approval Agency Approval. Three hundred and twenty-eight dollars (\$328) for each certification application.

(o) Application for Design Approval Agency Approval Renewal. Two hundred and eighty-six dollars (\$286) for each renewal application.

(p) Design Approval Agency Monitoring Fee.

(1) Forty-two dollars (\$42) for each approved plan or plan renewal.

(2) Nineteen dollars (\$19) for each amendment to previously approved plans or manuals.

(3) Twenty dollars (\$20) for each approved quality control manual.

(q) Alternate Approval. Two hundred and three dollars (\$203) provided the plan renewal plan check does not exceed one (1) hour. When the plan renewal plan check exceeds one (1) hour, the following fees shall apply:

(1) Second and subsequent whole hours: ninety-two dollars (\$92).

(2) Each thirty (30) minutes, or fractional part thereof: forty-six dollars (\$46).

(r) ~~Alternate Approval Plan Review~~. Two hundred and three dollars (\$203) for each hour.

Note: Authority cited: Sections 19982 and 19990, Health and Safety Code. Reference: Sections 19982 and 19990, Health and Safety Code.

93. Adopt new Section 3101 with content from Section 3061.

§ ~~3061~~ 3101. Inspection Fees, Payment and Collection.

(a) Each manufacturer of factory-built housing having the department as its inspection agency shall submit in-plant inspection fees to the department pursuant to Section ~~3060~~ 3100 of this subchapter. In-plant inspection fees are payable to the department, at the option of the manufacturer and/or department, in the following manner:

(1) Monthly, after billing by the department for in-plant inspection hours during the billing period, or,

(2) Advance hours during a monthly period.

(b) The department may require one (1) or more of the following actions for the cause noted:

(1) Require that payments be made in the form of a cashier's check(s) drawn upon a bank or savings and loan as a result of failure to pay previous fees with good and sufficient funds.

(2) Discontinue in-plant inspection for failure to pay in-plant inspection fees or for failure to pay such fees with good and sufficient funds.

(3) Discontinue the issuance of labels or insignia for failure to pay in-plant inspection fees or for failure to pay such fees with good and sufficient funds.

(4) Re-appropriate labels or insignia previously issued for failure to pay in-plant inspection fees or for failure to pay such fees with good and sufficient funds.

(c) Where manufacturers are subject to monthly billing for in-plant inspection fees, the department shall mail a statement to the manufacturer on either the first (1st), tenth (10th), or twentieth (20th) day of the month. The statement shall set forth the amount due the department for in-plant inspection services during the billing period. The amount set forth in the statement shall be due and payable upon receipt and shall be past due if not received by the department on the tenth (10th) day after the statement date.

(d) The department, upon written notice from the manufacturer indicating that in-plant inspection will no longer be necessary and explaining the reasons therefore, shall within sixty (60) calendar days from receipt of such notice ~~re-fund~~ refund any credits due the manufacturer from advance deposits made in accordance with Subsection (a)(2) of this section.

Note: Authority cited: Sections 47003.5, 19982 and 19990, Health and Safety Code. Reference: Sections 19982 and 19990, Health and Safety Code.