



## 2003 ASSEMBLY BILL 897

February 23, 2004 - Introduced by Representatives NASS, OLSEN, TOWNSEND, VRAKAS and VRUWINK, cosponsored by Senator ROESSLER. Referred to Committee on Housing.

1     **AN ACT** *to repeal* 20.143 (3) (sa), 25.40 (1) (fm), 25.40 (2) (b) 19g., 101.19 (1) (e),  
2           101.92 (1), 101.92 (1m), 101.92 (5), 101.9208 (2), 101.925, 101.93, 101.94 (3),  
3           101.94 (4), 101.94 (5), 101.951 (2) (c), 101.951 (2) (d), 101.952 (2) (c) and 101.952  
4           (2) (d); *to renumber and amend* 101.9208 (1); *to consolidate, renumber*  
5           *and amend* 101.91 (2) (a) and (b); *to amend* 20.143 (3) (j), 20.855 (4) (f), 25.46  
6           (19), 85.037, 100.20 (2) (b), 101.125 (1) (a), 101.19 (1) (f), 101.91 (5m), 101.91  
7           (6m), 101.91 (7), 101.91 (8), 101.92 (6), 101.9203 (4), 101.9204 (1m), 101.9205  
8           (3), 101.9213 (8), 101.935 (title), 101.935 (2) (a), 101.935 (2) (c) 2., 101.935 (2)  
9           (d), 101.935 (2m), 101.937 (title), (1) and (2), 101.937 (3) (a), 101.94 (2), 101.94  
10          (6), 101.951 (2) (a) and 101.952 (2) (a); and *to create* 15.157 (13), 20.143 (1) (jp),  
11          101.91 (1i), 101.91 (1j), 101.91 (1t), 101.91 (1v), 101.9208 (2m), 101.933, 101.951  
12          (2) (bm), 101.952 (2) (bm), 101.957, 101.96, 101.965 (1p), 101.965 (1t) and  
13          560.285 of the statutes; **relating to:** regulating the manufactured housing  
14          industry and manufactured home installations; promoting rehabilitation and

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- 1 recycling of manufactured housing; granting rule-making authority; providing  
2 a penalty; and making appropriations.
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***Analysis by the Legislative Reference Bureau***

This bill makes numerous changes relating to manufactured housing. The changes primarily include the following:

***Regulation of manufacturers of manufactured homes***

Current law regulates manufacturers of manufactured homes, manufactured home dealers, and manufactured home salespersons. Under current law, the Department of Commerce (Commerce) is responsible for licensing all manufacturers desiring to sell or distribute for sale manufactured homes in this state. Among other things, current law also requires Commerce to do all of the following:

1. Adopt, administer, and enforce rules for the safe and sanitary design and construction of manufactured homes that are manufactured, distributed, sold, or offered for sale in this state, including rules relating to plumbing in the design and construction of manufactured homes.
2. Review typical construction plans and specifications that manufacturers are required to submit to Commerce for approval, including plans and specifications of plumbing systems used in manufactured homes.
3. Inspect manufacturing facilities, processes, fabrication, and assembly of manufactured homes to ensure compliance with the rules promulgated by Commerce relating to the manufacture of manufactured homes.
4. Issue a label for display on a manufactured home that indicates that the manufactured home meets the requirements of the statutes and rules.
5. Establish standards for certification of inspection and testing agencies that inspect manufacturing facilities, processes, fabrication, and assembly of manufactured homes and plumbing systems in manufactured homes and that issue labels of approval.
6. Provide for the inspection of manufactured homes that are manufactured in other states and that are to be sold or intended to be sold in this state.

This bill eliminates the requirements that Commerce perform the duties listed in items 1, 2, 4, 5, and 6.

Currently, state law requires the manufacturer of a manufactured home to install a functional smoke detector in each manufactured home it manufactures. This bill deletes this requirement. Federal law contains a similar requirement and requires smoke detectors to be installed in additional locations within each manufactured home.

***Regulation of manufactured home installations***

Generally, a manufactured home is entirely constructed in a factory and, after it is purchased by a consumer, is transported, either as a single unit or in sections, to the home site for installation upon a foundation. Current law generally does not regulate installers of manufactured homes, although current law does require

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Commerce to make rules governing certain foundations upon which manufactured homes are installed.

With limited exceptions, this bill requires every manufactured home installation in this state to be performed by, or under the general supervision of, an individual licensed by Commerce as a manufactured home installer. The bill specifies that a licensed installer is liable for all acts and omissions related to the installation of each individual who performs an installation under the licensed installer's general supervision. The bill also specifies certain minimum criteria applicable to license applicants. In addition, the bill requires Commerce to make rules for the safe installation of manufactured homes in this state and for the enforcement of those installation standards. Commerce must require third-party inspections as part of its enforcement scheme. The bill prohibits any city, village, or town from regulating a matter governed by these provisions of the bill or by rules promulgated under each of these provisions.

***Regulatory fees***

Current law establishes specific fees that Commerce must charge for conducting a file search, providing various services related to the titling of manufactured homes, and providing certain notices related to security interests in manufactured homes. This bill requires Commerce, by rule, to establish fees for these services. This bill also requires Commerce to assess a new fee to fund a manufactured housing rehabilitation and recycling grant program (see below).

Under current law, fees related to the titling of manufactured homes are generally deposited into the transportation fund and then a specified amount is appropriated from the transportation fund for Commerce's administration of the manufactured housing statutes. This bill provides, instead, that the fees are deposited into the general fund and credited to the program revenue appropriation account that generally funds the safety and buildings operations of Commerce.

Generally, under current law, the fee for a manufactured home dealer license is \$50 multiplied by the number of years in the license period. The fee for a manufactured home salesperson license generally is \$4 multiplied by the number of years in the license period. Current law requires Commerce, by rule, to determine the license period applicable to each of these licenses. Currently, these fees must be prorated if the license period is not evenly divisible into years. This bill repeals the statutory fee amount and proration requirement and requires, instead, that these fees be determined by Commerce by rule.

***Manufactured housing rehabilitation and recycling***

This bill requires Commerce to establish a grant program to promote the proper disposal of abandoned manufactured homes and to promote the rehabilitation and use of manufactured homes that are in need of critical repairs. To the extent feasible, Commerce must coordinate the program with the state's housing strategy plan. The bill also requires Commerce to contract with private, nonprofit entities for the administration of the grant program.

***Titling of manufactured homes***

With certain exceptions, any person who acquires a manufactured home must apply to Commerce for a certificate of title to the manufactured home. This

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requirement does not apply if the owner of the manufactured home intends, upon acquiring the manufactured home, to permanently affix the manufactured home to land that the owner of the manufactured home owns. In such a case, the manufactured home becomes a part of the land and its ownership is evidenced by the deed applicable to that land. This bill creates a similar exception that applies if the owner of the manufactured home intends, upon acquiring the manufactured home, to affix the manufactured home to land in which the owner has a leasehold interest of sufficient duration.

***Other***

The bill establishes a Manufactured Housing Code Council for the purpose of advising Commerce concerning the regulation of the manufactured housing industry. The council is similar to advisory councils that currently advise Commerce with regard to other aspects of housing market regulation, except that members of the Manufactured Housing Code Council are appointed by the secretary of Commerce rather than the governor.

The bill also requires Commerce, by rule, to establish an alternative dispute resolution program designed to facilitate the timely, informal resolution of certain disputes concerning defective manufactured homes and manufactured home installations. The program applies to disputes between manufactured home manufacturers, salespersons, dealers, and installers. The program does not apply to disputes with consumers.

Current law contains numerous references to manufactured home parks. This bill changes the term “park” in these references to the term “community.”

For further information see the ***state and local*** fiscal estimate, which will be printed as an appendix to this bill.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

- 1           **SECTION 1.** 15.157 (13) of the statutes is created to read:
- 2           15.157 (13) MANUFACTURED HOUSING CODE COUNCIL. (a) There is created in the
- 3 department of commerce a manufactured housing code council consisting of the
- 4 following members appointed by the secretary of commerce for 3-year terms:
- 5           1. Two members representing manufacturers of manufactured homes.
- 6           2. Two members representing manufactured home dealers.
- 7           3. Two members representing owners of manufactured home communities.
- 8           4. Two members representing installers of manufactured homes.

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1           5. One member representing an association of the manufactured housing  
2 industry in Wisconsin.

3           6. One member representing suppliers of materials or services to the  
4 manufactured housing industry.

5           7. One member representing the public.

6           (b) The council shall meet at least twice a year. An employee of the department  
7 designated by the secretary of the department shall serve as nonvoting secretary of  
8 the council.

9           **SECTION 2.** 20.005 (3) (schedule) of the statutes: at the appropriate place, insert  
10 the following amounts for the purposes indicated:

	<b>2003-04</b>	<b>2004-05</b>
<b>20.143 Commerce, department of</b>		
(1) ECONOMIC AND COMMUNITY DEVELOPMENT		
(jp) Manufactured housing rehabi-		
litation and recycling; program		
revenue	PR      A      70,000	70,000

17           **SECTION 3.** 20.143 (1) (jp) of the statutes is created to read:

18           20.143 (1) (jp) *Manufactured housing rehabilitation and recycling; program*  
19 *revenue.* The amounts in the schedule for the administration of and for grants under  
20 s. 560.285. All moneys received under s. 101.9208 (2m) shall be credited to this  
21 appropriation.

22           **SECTION 4.** 20.143 (3) (j) of the statutes is amended to read:

23           20.143 (3) (j) *Safety and building operations.* The amounts in the schedule for  
24 the purposes of chs. 101, 145, and 168 and ss. 236.12 (2) (a), 236.13 (1) (d) and (2m),

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1 and 236.335. All moneys received under ch. 145, ss. 101.177 (4) (a) 4., 101.178,  
2 101.19, 101.63 (9), 101.654 (3), 101.73 (12), 101.82 (4), ~~101.9205 (3), 101.9208 (1) (b),~~  
3 ~~101.9213 (8), 101.935, 101.951 (2), 101.952 (2),~~ 101.955 (2), 101.973 (7), and 236.12  
4 (7), and 2001 Wisconsin Act 16, section 9110 (3z), and all moneys transferred under  
5 2003 Wisconsin Act ... (this act), section 63 (5), shall be credited to this  
6 appropriation.

7 **SECTION 5.** 20.143 (3) (sa) of the statutes is repealed.

8 **SECTION 6.** 20.855 (4) (f) of the statutes is amended to read:

9 20.855 (4) (f) *Supplemental title fee matching.* From the general fund, a sum  
10 sufficient equal to the amount of supplemental title fees collected under ~~ss. 101.9208~~  
11 ~~(1) (dm) and s. 342.14 (3m),~~ as determined under s. 85.037, less \$555,000, to be  
12 transferred to the environmental fund on October 1 annually.

13 **SECTION 7.** 25.40 (1) (fm) of the statutes is repealed.

14 **SECTION 8.** 25.40 (2) (b) 19g. of the statutes is repealed.

15 **SECTION 9.** 25.46 (19) of the statutes is amended to read:

16 25.46 (19) The environmental impact fees imposed under ~~ss. 101.9208 (1) (b)~~  
17 ~~and s. 342.14 (1r)~~ for environmental management.

18 **SECTION 10.** 85.037 of the statutes is amended to read:

19 **85.037 Certification of fees collected.** Annually, no later than October 1,  
20 the secretary of transportation shall certify to the secretary of administration the  
21 amount of fees collected under ~~ss. 101.9208 (1) (dm) and s. 342.14 (3m)~~ during the  
22 previous fiscal year, for the purpose of determining the amounts to be transferred  
23 under s. 20.855 (4) (f) during the current fiscal year.

24 **SECTION 11.** 100.20 (2) (b) of the statutes is amended to read:

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1           100.20 (2) (b) Notwithstanding par. (a), the department may not issue any  
2 order or promulgate any rule that regulates the provision of water or sewer service  
3 by a manufactured home park community operator, as defined in s. 101.91 (8), or  
4 manufactured home park community contractor, as defined in s. 101.91 (6m), or  
5 enforce any rule to the extent that the rule regulates the provision of such water or  
6 sewer service.

7           **SECTION 12.** 101.125 (1) (a) of the statutes is amended to read:

8           101.125 (1) (a) “Building” means a place of employment or a public building and  
9 includes, without limitation because of enumeration, wholesale and retail stores,  
10 storerooms, office buildings, factories, warehouses, governmental buildings, hotels,  
11 hospitals, motels, dormitories, sanatoriums, nursing homes, retirement homes,  
12 theaters, stadiums, gymnasiums, amusement park buildings, schools and other  
13 buildings used for educational purposes, places of worship and other places of public  
14 assembly and all residences including mobile homes, manufactured ~~or~~ homes,  
15 industrialized housing, lodging homes, and any other building used as a dwelling for  
16 one or more persons.

17           **SECTION 13.** 101.19 (1) (e) of the statutes is repealed.

18           **SECTION 14.** 101.19 (1) (f) of the statutes is amended to read:

19           101.19 (1) (f) ~~Defraying the cost~~ Administration of the manufactured dwelling  
20 program, the one- and two-family dwelling programs, the manufactured home and  
21 mobile home program, and the multifamily dwelling program.

22           **SECTION 15.** 101.91 (1i) of the statutes is created to read:

23           101.91 (1i) “Installation standards” means specifications for the proper  
24 installation of manufactured homes at their place of occupancy to ensure proper

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1 siting, the joining of all sections of the manufactured home, connection to existing  
2 utility services and the installation of stabilization, support, or anchoring systems.

3 **SECTION 16.** 101.91 (1j) of the statutes is created to read:

4 101.91 (1j) “Installer” means a person who is in the business of installing new  
5 manufactured homes.

6 **SECTION 17.** 101.91 (1t) of the statutes is created to read:

7 101.91 (1t) “Licensed installer” means an installer licensed under s. 101.96 (2)  
8 (b).

9 **SECTION 18.** 101.91 (1v) of the statutes is created to read:

10 101.91 (1v) “Licensed manufacturer” means a manufactured home  
11 manufacturer licensed under s. 101.95.

12 **SECTION 19.** 101.91 (2) (a) and (b) of the statutes are consolidated, renumbered  
13 101.91 (2) (am) and amended to read:

14 101.91 (2) (am) A structure, ~~transportable in one or more sections, which in the~~  
15 ~~traveling mode is 8 body feet or more in width or 40 body feet or more in length, or,~~  
16 ~~when erected on site is 320 or more square feet, and which is built on a permanent~~  
17 ~~chassis and that is designed to be used as a dwelling with or without a permanent~~  
18 ~~foundation when connected to the required utilities. (b) A structure which meets all~~  
19 ~~the requirements of par. (a) except the size requirements, and with respect to which~~  
20 ~~the manufacturer voluntarily files a certification required by the secretary of~~  
21 ~~housing and urban development and that complies with the standards established~~  
22 ~~under 42 USC 5401 to 5425.~~

23 **SECTION 20.** 101.91 (5m) of the statutes is amended to read:

24 101.91 (5m) “Manufactured home park community” means any plot or plots of  
25 ground upon which 3 or more manufactured homes that are occupied for dwelling or



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1 sleeping purposes are located. “Manufactured home park community” does not  
2 include a farm where the occupants of the manufactured homes are the father,  
3 mother, son, daughter, brother or sister of the farm owner or operator or where the  
4 occupants of the manufactured homes work on the farm.

5 **SECTION 21.** 101.91 (6m) of the statutes is amended to read:

6 101.91 (6m) “Manufactured home park community contractor” means a  
7 person, other than a public utility, as defined in s. 196.01 (5) (a), who, under a  
8 contract with a manufactured home park community operator, provides water or  
9 sewer service to a manufactured home park community occupant or performs a  
10 service related to providing water or sewer service to a manufactured home park  
11 community occupant.

12 **SECTION 22.** 101.91 (7) of the statutes is amended to read:

13 101.91 (7) “Manufactured home park community occupant” means a person  
14 who rents or owns a manufactured home in a manufactured home park community.

15 **SECTION 23.** 101.91 (8) of the statutes is amended to read:

16 101.91 (8) “Manufactured home park community operator” means a person  
17 engaged in the business of owning or managing a manufactured home park  
18 community.

19 **SECTION 24.** 101.92 (1) of the statutes is repealed.

20 **SECTION 25.** 101.92 (1m) of the statutes is repealed.

21 **SECTION 26.** 101.92 (5) of the statutes is repealed.

22 **SECTION 27.** 101.92 (6) of the statutes is amended to read:

23 101.92 (6) May enter into reciprocal agreements with other states regarding  
24 the ~~design, construction,~~ inspection, installation, and labeling of manufactured

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1 homes where the laws or rules of other states meet the intent of this subchapter and  
2 where the laws or rules are actually enforced.

3 **SECTION 28.** 101.9203 (4) of the statutes is amended to read:

4 101.9203 (4) The owner of a manufactured home that is situated in this state  
5 or intended to be situated in this state is not required to make application for a  
6 certificate of title under s. 101.9209 if the owner of the manufactured home intends,  
7 upon acquiring the manufactured home, to ~~permanently affix~~ make the  
8 manufactured home a fixture to land that in which the owner of the manufactured  
9 home ~~owns~~ has an ownership or leasehold interest subject to ch. 706.

10 **SECTION 29.** 101.9204 (1m) of the statutes is amended to read:

11 101.9204 (1m) On the form or in the automated format for application for a  
12 certificate of title, the department may show the fee under s. 101.9208 (1) ~~(dm)~~ (4m)  
13 separately from the fee under s. 101.9208 (1) ~~(a)~~ or ~~(d)~~ (4).

14 **SECTION 30.** 101.9205 (3) of the statutes is amended to read:

15 101.9205 (3) The department shall ~~charge~~ establish, by rule under s. 101.19,  
16 a fee of not less than \$2 for conducting a file search of manufactured home title  
17 records.

18 **SECTION 31.** 101.9208 (1) of the statutes is renumbered 101.9208 and amended  
19 to read:

20 **101.9208** ~~The department shall be paid the~~ The following fees shall be  
21 determined by the department by rule under s. 101.19:

22 (1) For filing an application for the first certificate of title, ~~\$8.50,~~ to be paid by  
23 the owner of the manufactured home.

24 (2) Upon filing an application under ~~par. (a) or (d)~~ sub. (1) or (4), an  
25 environmental impact fee of ~~\$9,~~ to be paid by the person filing the application. ~~All~~

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1     ~~moneys collected under this subsection shall be credited to the environmental fund~~  
2     ~~for environmental management. This paragraph does not apply after December 31,~~  
3     ~~2003.~~

4           **(3)** For the original notation and subsequent release of each security interest  
5     noted upon a certificate of title, a single fee of \$4 to be paid by the owner of the  
6     manufactured home.

7           **(4)** For a certificate of title after a transfer, ~~\$8.50,~~ to be paid by the owner of the  
8     manufactured home.

9           **(4m)** Upon filing an application under ~~par. (a) or (d) sub. (1) or (4),~~ a  
10    supplemental title fee of \$7.50 to be paid by the owner of the manufactured home,  
11    except that this fee shall be waived with respect to an application under par. (d) for  
12    transfer of a decedent's interest in a manufactured home to his or her surviving  
13    spouse. ~~The fee specified~~ required under this paragraph is subsection shall be paid  
14    in addition to any other fee specified in this section.

15           **(5)** For each assignment of a security interest noted upon a certificate of title,  
16    \$1 to be paid by the assignee.

17           **(6)** For a replacement certificate of title, ~~\$8,~~ to be paid by the owner of the  
18    manufactured home.

19           **(7)** For processing applications for certificates of title that have a special  
20    handling request for fast service, ~~a fee established by the department by rule,~~ which  
21    fee shall approximate the cost to the department for providing this special handling  
22    service to persons so requesting.

23           **(8)** For the reinstatement of a certificate of title previously suspended or  
24    revoked, ~~\$25.~~

25           **SECTION 32.** 101.9208 (2) of the statutes is repealed.

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1           **SECTION 33.** 101.9208 (2m) of the statutes is created to read:

2           101.9208 (**2m**) Upon filing an application under sub. (1) or (4), a manufactured  
3 housing rehabilitation and recycling fee, to be paid by the person filing the  
4 application.

5           **SECTION 34.** 101.9213 (8) of the statutes is amended to read:

6           101.9213 (**8**) Upon request of a person who has perfected a security interest  
7 under this section, as shown by the records of the department, in a manufactured  
8 home titled in this state, whenever the department receives information from  
9 another state that the manufactured home is being titled in the other state and the  
10 information does not show that the security interest has been satisfied, the  
11 department shall notify the person. ~~The person shall pay the department~~ shall  
12 establish, by rule under s. 101.19, a fee of not less than \$2 fee for each notification.

13           **SECTION 35.** 101.925 of the statutes is repealed.

14           **SECTION 36.** 101.93 of the statutes is repealed.

15           **SECTION 37.** 101.933 of the statutes is created to read:

16           **101.933 Manufactured housing code council duties.** The manufactured  
17 housing code council shall review this subchapter and rules promulgated under this  
18 subchapter and recommend a statewide manufactured housing code for  
19 promulgation by the department. The council shall consider and make  
20 recommendations to the department pertaining to rules and any other matter  
21 related to this subchapter, including recommendations with regard to licensure and  
22 professional discipline of manufacturers of manufactured homes, manufactured  
23 home dealers, manufactured home salespersons, and installers, and consumer  
24 protection applicable to consumers of manufactured homes. In making

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1 recommendations, the council shall consider the likely costs of any proposed rules to  
2 consumers in relation to the benefits that are likely to result therefrom.

3 **SECTION 38.** 101.935 (title) of the statutes is amended to read:

4 **101.935 (title) Manufactured home park community regulation.**

5 **SECTION 39.** 101.935 (2) (a) of the statutes is amended to read:

6 101.935 (2) (a) The department or a village, city or county granted agent status  
7 under par. (e) shall issue permits to and regulate manufactured home parks  
8 communities. No person, state or local government who has not been issued a permit  
9 under this subsection may conduct, maintain, manage or operate a manufactured  
10 home park community.

11 **SECTION 40.** 101.935 (2) (c) 2. of the statutes is amended to read:

12 101.935 (2) (c) 2. The department shall establish, by rule under s. 101.19, the  
13 permit fee and renewal fee for a permit issued under this subsection. ~~Beginning in~~  
14 ~~fiscal year 2002-03, the~~ The department may increase the fees to recover establish  
15 a fee that defrays the cost of administering s. 101.937. An additional penalty fee, as  
16 established by the department by rule under s. 101.19, is required for each permit  
17 if the biennial renewal fee is not paid before the permit expires.

18 **SECTION 41.** 101.935 (2) (d) of the statutes is amended to read:

19 101.935 (2) (d) A permit may not be issued under this subsection until all  
20 applicable fees have been paid. If the payment is by check or other draft drawn upon  
21 an account containing insufficient funds, the permit applicant shall, within 15 days  
22 after receipt of notice from the department of the insufficiency, pay by cashier's check  
23 or other certified draft, money order or cash the fees to the department, late fees and  
24 processing charges that are specified by rules promulgated by the department. If the  
25 permit applicant fails to pay all applicable fees, late fees and the processing charges

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1 within 15 days after the applicant receives notice of the insufficiency, the permit is  
2 void. In an appeal concerning voiding of a permit under this paragraph, the burden  
3 is on the permit applicant to show that the entire applicable fees, late fees and  
4 processing charges have been paid. During any appeal process concerning a  
5 payment dispute, operation of the manufactured home park community in question  
6 is considered to be operation without a permit.

7 **SECTION 42.** 101.935 (2m) of the statutes is amended to read:

8 101.935 **(2m)** (a) The department shall inspect a manufactured home park  
9 community in the following situations:

10 1. Upon completion of the construction of a manufactured home park  
11 community.

12 2. Whenever a manufactured home park community is modified, as defined by  
13 the department by rule.

14 3. Whenever the department receives a complaint about a manufactured home  
15 park community.

16 (b) The department may, with notice, inspect a manufactured home park  
17 community whenever the department determines an inspection is appropriate.

18 **SECTION 43.** 101.937 (title), (1) and (2) of the statutes are amended to read:

19 **101.937** (title) **Water and sewer service to manufactured home ~~parks~~**  
20 **communities.** (1) RULES. The department shall promulgate rules that establish  
21 standards for providing water or sewer service by a manufactured home park  
22 community operator or manufactured home park community contractor to a  
23 manufactured home park community occupant, including requirements for  
24 metering, billing, depositing, arranging deferred payment, installing service,  
25 refusing or discontinuing service, and resolving disputes with respect to service.

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1 Rules promulgated under this subsection shall ensure that any charge for water or  
2 sewer service is reasonable and not unjustly discriminatory, that the water or sewer  
3 service is reasonably adequate, and that any practice relating to providing the  
4 service is just and reasonable.

5 (2) PERMANENT IMPROVEMENTS. A manufactured home park community  
6 operator may make a reasonable recovery of capital costs for permanent  
7 improvements related to the provision of water or sewer service to manufactured  
8 home park community occupants through ongoing rates for water or sewer service.

9 **SECTION 44.** 101.937 (3) (a) of the statutes is amended to read:

10 101.937 (3) (a) On its own motion or upon a complaint filed by a manufactured  
11 home park community occupant, the department may issue an order or commence  
12 a civil action against a manufactured home park community operator or  
13 manufactured home park community contractor to enforce this section, any rule  
14 promulgated under sub. (1), or any order issued under this paragraph.

15 **SECTION 45.** 101.94 (2) of the statutes is amended to read:

16 101.94 (2) No person may manufacture, assemble, distribute or sell a  
17 manufactured home unless the manufactured home complies with 42 USC 5401 to  
18 5425 and applicable regulations as in effect on June 15, 1976. ~~The department may~~  
19 ~~establish, by rule, standards for the safe and sanitary design and construction of~~  
20 ~~manufactured homes for the purpose of enforcement of this subchapter, and those~~  
21 ~~standards may include standards in addition to any standards established by the~~  
22 ~~secretary of housing and urban development under 42 USC 5401 to 5425.~~

23 **SECTION 46.** 101.94 (3) of the statutes is repealed.

24 **SECTION 47.** 101.94 (4) of the statutes is repealed.

25 **SECTION 48.** 101.94 (5) of the statutes is repealed.

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1           **SECTION 49.** 101.94 (6) of the statutes is amended to read:

2           101.94 (6) Fees for review of plans, construction inspections, department labels  
3 and licensing of manufacturers shall be established by department rule under s.  
4 101.19.

5           **SECTION 50.** 101.951 (2) (a) of the statutes is amended to read:

6           101.951 (2) (a) Application for a license or a renewal license shall be made to  
7 the department on forms prescribed and furnished by the department, accompanied  
8 by the license fee required under par. ~~(e) or (d)~~ (bm).

9           **SECTION 51.** 101.951 (2) (bm) of the statutes is created to read:

10           101.951 (2) (bm) Fees for licensing of persons under this section shall be  
11 established by the department by rule under s. 101.19.

12           **SECTION 52.** 101.951 (2) (c) of the statutes is repealed.

13           **SECTION 53.** 101.951 (2) (d) of the statutes is repealed.

14           **SECTION 54.** 101.952 (2) (a) of the statutes is amended to read:

15           101.952 (2) (a) Applications for a manufactured home salesperson's license and  
16 renewals thereof shall be made to the department on such forms as the department  
17 prescribes and furnishes and shall be accompanied by the license fee required under  
18 par. ~~(e) or (d)~~ (bm). The application shall include the applicant's social security  
19 number. In addition, the application shall require such pertinent information as the  
20 department requires.

21           **SECTION 55.** 101.952 (2) (bm) of the statutes is created to read:

22           101.952 (2) (bm) Fees for licensing of manufactured home salespersons shall  
23 be established by the department by rule under s. 101.19.

24           **SECTION 56.** 101.952 (2) (c) of the statutes is repealed.

25           **SECTION 57.** 101.952 (2) (d) of the statutes is repealed.



**ASSEMBLY BILL 897**

1           **SECTION 58.** 101.957 of the statutes is created to read:

2           **101.957 Nonjudicial resolution of manufactured housing industry**

3           **disputes.** The department, by rule, shall establish an alternative dispute resolution  
4 program for the timely resolution of any dispute that concerns a defect in a  
5 manufactured home, or in the installation of a manufactured home, reported to the  
6 department within one year of the date on which the manufactured home was  
7 installed and that occurs between parties each of which is a manufacturer of  
8 manufactured homes, manufactured home salesperson, manufactured home dealer,  
9 or installer. Each party to a dispute that is covered by the rules shall submit to the  
10 alternative dispute resolution program before commencing any action arising out of  
11 the dispute against any other party to the dispute. The rules shall facilitate the  
12 informal resolution of disputes, except that, if informal resolution is not obtained in  
13 a timely manner and at least one of the parties to the dispute so requests in writing,  
14 the department shall hold a contested case hearing under ch. 227 and issue an order  
15 directing any party that the department finds responsible for the defect at issue in  
16 the dispute to remedy the defect. This section does not affect the rights of any  
17 consumer to commence an action or the rights of any person to commence an action  
18 against a consumer.

19           **SECTION 59.** 101.96 of the statutes is created to read:

20           **101.96 Manufactured home installation regulated. (1) INSTALLATION**

21           **STANDARDS.** (a) *Promulgation of standards.* The department shall, by rule, establish  
22 installation standards for the safe installation of manufactured homes in this state.  
23 In promulgating rules under this paragraph, the department shall consider the  
24 recommendations of the manufactured housing code council under s. 101.933.

**ASSEMBLY BILL 897****SECTION 59**

1           (b) *Enforcement of standards.* The department shall, by rule, establish a  
2 method for ensuring compliance with the rules promulgated under par. (a). The  
3 department shall require 3rd-party inspections of manufactured home  
4 installations. Each 3rd-party inspector shall complete, to the satisfaction of the  
5 department, an examination that meets the criteria under sub. (2) (b) 3. An  
6 individual may not serve as a 3rd-party inspector if the individual is, employed by,  
7 or is an independent contractor of a manufactured home manufacturer,  
8 manufactured home salesperson, or installer who was directly involved in the sale  
9 of the particular manufactured home.

10           **(2) MANUFACTURED HOME INSTALLERS.** (a) *License required; exceptions; liability.*  
11 Except as otherwise provided in this paragraph, no person may act as an installer  
12 in this state unless the person is a licensed installer or employs one or more licensed  
13 installers to generally supervise each of the person's installations of manufactured  
14 homes in this state. This requirement does not apply to an individual who installs  
15 a manufactured home on his or her own property for his or her personal use or to an  
16 individual who installs a manufactured home under the general supervision of a  
17 licensed installer. A licensed installer is liable for all acts and omissions related to  
18 the installation of each individual who performs an installation under the licensed  
19 installer's general supervision.

20           (b) *License eligibility.* The department may issue an installer's license only to  
21 an individual to whom all of the following apply:

- 22           1. The individual is at least 18 years old.
- 23           2. The individual files with the department a license application on a form  
24 prescribed by the department.

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1           3. The individual completes, to the satisfaction of the department, an  
2 examination approved by the department that tests the skills necessary to properly  
3 install manufactured homes and knowledge of the laws applicable to manufactured  
4 home installation.

5           4. The individual has not been found responsible in any judicial or  
6 administrative forum for any violation of this section during the 2 years before the  
7 date on which the individual's license application is submitted.

8           5. The individual has not been found responsible in any judicial or  
9 administrative forum during the 2 years before the date on which the individual's  
10 license application is submitted for any failure to perform an installation of a  
11 manufactured home as required under contract or for defrauding any person with  
12 regard to the provision of installation services.

13           6. The individual meets the standards of financial responsibility established  
14 by rule of the department.

15           (c) *License term and fee.* The department, by rule under sub. (1) (b), shall  
16 establish the term of installers' licenses and the conditions under which the  
17 department may revoke or suspend installers' licenses. The department shall  
18 establish an initial installer's license fee and license renewal fee by rule under s.  
19 101.19.

20           **(3) MUNICIPAL AUTHORITY.** (a) *Authority limited.* No city, village, town, or county  
21 may enact an ordinance or adopt a resolution regulating a matter governed by this  
22 section or by a rule promulgated under this section.

23           (b) *Retroactive effect.* If a city, village, town, or county has in effect on the  
24 effective date of this paragraph .... [revisor inserts date], an ordinance or resolution

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1 that is inconsistent with par. (a), the ordinance or resolution does not apply and may  
2 not be enforced.

3 **SECTION 60.** 101.965 (1p) of the statutes is created to read:

4 101.965 (1p) Any person who violates s. 101.96 or any rule promulgated under  
5 that section may be required to forfeit not less than \$25 nor more than \$500 for each  
6 violation. Each day of continued violation constitutes a separate violation.

7 **SECTION 61.** 101.965 (1t) of the statutes is created to read:

8 101.965 (1t) Upon request of the department, the attorney general may  
9 commence an action in a court of competent jurisdiction to enjoin any installer from  
10 installing a manufactured home in violation of s. 101.96 (2).

11 **SECTION 62.** 560.285 of the statutes is created to read:

12 **560.285 Manufactured housing rehabilitation and recycling. (1)**

13 DEFINITION. In this section, “manufactured home” has the meaning given in s. 101.91  
14 (2).

15 **(2) GRANT PROGRAM.** (a) The department may make grants under this section  
16 to provide financial assistance to persons engaged in the disposal of abandoned  
17 manufactured homes and to municipalities, for the purpose of supporting  
18 environmentally sound disposal practices.

19 (b) The department may make grants under this section to provide financial  
20 assistance to individuals who reside in manufactured homes that are in need of  
21 critical repairs. An individual is eligible for a grant under this paragraph only if the  
22 individual is otherwise unable to finance the critical repairs.

23 **(3) ADMINISTRATION.** The department shall contract with one or more entities  
24 that are exempt from taxation under section 501 (a) of the Internal Revenue Code  
25 and that employ individuals with technical expertise concerning manufactured

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1 housing for the administration of the grant program under this section. The  
2 department shall promulgate rules to establish the grant program under this  
3 section. To the extent feasible, the department shall coordinate the program under  
4 this section with the state housing strategy plan under s. 560.9802.

5 **SECTION 63. Nonstatutory provisions.**

6 (1) PROPOSED RULES. No later than the first day of the 12th month beginning  
7 after the effective date of this subsection, the department of commerce shall submit  
8 in proposed form the rules required under sections 101.9205 (3), 101.9208, 101.9213  
9 (8), 101.951 (2) (bm), 101.952 (2) (bm), and 101.96 of the statutes, as affected by this  
10 act, to the legislative council staff under section 227.15 (1) of the statutes.

11 (2) INITIAL MEMBERS OF MANUFACTURED HOUSING CODE COUNCIL. Notwithstanding  
12 the length of terms specified for the manufactured housing code council under  
13 section 15.157 (13) (a) of the statutes, as created by this act, the initial members  
14 appointed under section 15.157 (13) (a) 1. and 2. of the statutes, as created by this  
15 act, shall be appointed for terms that expire on July 1, 2004; the initial members  
16 appointed under section 15.157 (13) (a) 3. and 4. of the statutes, as created by this  
17 act, shall be appointed for terms that expire on July 1, 2005; and the remaining initial  
18 members appointed under section 15.157 (13) (a) 5. to 7. of the statutes, as created  
19 by this act, shall be appointed for terms that expire on July 1, 2006.

20 (3) DEPARTMENT OF COMMERCE POSITION DECREASE. The authorized FTE positions  
21 for the department of commerce are decreased by 1.6 SEG positions, funded from the  
22 appropriation under section 20.143 (3) (sa) of the statutes, as affected by this act, for  
23 the performance of duties primarily related to the administration of subchapter V of  
24 chapter 101 of the statutes.

