

CHAPTER 74

(SB 109)

AN ACT relating to factory-built housing.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 227.550 is amended to read as follows:

As used in this section to KRS 227.660, 227.990, and 227.992, unless the context requires a different definition:

- (1) "Board" means the Manufactured Home Certification and Licensure Board or the Recreational Vehicle Certification and Licensure Board.
- (2) "*Seal*" means the U.S. Department of Housing and Urban Development seal for manufactured homes and the Class A Seal for recreational vehicles ~~{Class A seal" means a device or insignia issued by the office to indicate compliance with the standards, rules, and regulations established by the office or the board for recreational vehicles}.~~
- (3) "Class B1 Seal" and "Class B2 Seal" mean seals ~~{means a seal}~~ issued pursuant to subsection (3) of KRS 227.600.
- (4) "*Retailer*~~{Dealer}~~" means any person, firm, or corporation, who sells or offers for sale *two* ~~(2){three (3)}~~ or more manufactured homes, mobile homes, or recreational vehicles in any consecutive twelve (12) month period. The term "*retailer*~~{dealer}~~" shall not include:
 - (a) A manufacturer, as defined in this section;
 - (b) Any bank, trust company, or lending institution that is subject to state or federal regulation, with regard to the disposition of its own repossessed manufactured housing; or
 - (c) A licensed real estate agent who acts as a negotiator between an owner and a prospective purchaser and does not acquire ownership or possession *of manufactured homes* for resale purposes ~~{ of three (3) or more manufactured homes in any consecutive twelve (12) month period}~~.
- (5) "Established place of business" means a fixed and permanent place of business in this state, including an office building and hard surface lot of suitable character and adequate facilities and qualified personnel, for the purpose of performing the functional business and duties of a *retailer*~~{dealer}~~, which shall include the books, records, files, and equipment necessary to properly conduct such business, or a building having sufficient space therein in which the functional duties of a *retailer*~~{dealer}~~ may be performed. The place of business shall not consist of a residence, tent, temporary stand, or open lot. It shall display a suitable sign identifying the *retailer*~~{dealer}~~ and his business.
- (6) "Federal act" means the National Manufactured Housing Construction and Safety Standards Act of 1974, 42 U.S.C. secs. 5401 et seq., as amended, and rules and regulations issued thereunder.
- (7) "Manufactured home" means a single-family residential dwelling constructed in accordance with the federal act, manufactured after June 15, 1976, and designed to be used as a single-family residential dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air conditioning, and electrical systems contained therein. The manufactured home may also be used as a place of business,

profession, or trade by the owner, the lessee, or the assigns of the owner or lessee and may comprise an integral unit or condominium structure. Buildings the construction of which is not preempted by the federal act are subject to building code requirements of KRS Chapter 198B.

- (8) "**Factory-built**~~[Manufactured]~~ housing" means manufactured homes, mobile homes, recreational vehicles, *or* mobile office~~[or commercial]~~ units~~[, add a rooms, or cabanas]~~.
- (9) "Manufacturer" means any person who manufactures manufactured homes or recreational vehicles and sells to Kentucky *retailers*~~[dealers]~~.
- (10) "Mobile home" means a **factory-built** structure manufactured prior to June 15, 1976, which was not required to be constructed in accordance with the federal act~~[, which is transportable in one (1) or more sections, which, in the traveling mode, is eight (8) body feet or more in width and forty (40) body feet or more in length, or, when erected on site, is three hundred twenty (320) or more square feet, and which is built on a permanent chassis and designed to be used as a dwelling, with or without a permanent foundation, when connected to the required utilities, and includes the plumbing, heating, air conditioning, and electrical systems contained therein. It may be used as a place of residence, business, profession, or trade by the owner, lessee, or their assigns and may consist of one (1) or more units that can be attached or joined together to comprise an integral unit or condominium structure]~~.
- (11) "Office" means the office of the state fire marshal.
- (12) "Recreational vehicle" means a vehicular type unit primarily designed as temporary living quarters for recreational, camping, or travel use, which either has its own motive power or is mounted on or drawn by another vehicle. It shall include recreational vehicles which are regulated as to length, width, and registration by KRS Chapter 186. The basic entities are: travel trailer, camping trailer, truck camper, motor home, and park vehicle.
- (a) Travel trailer: A vehicular unit, mounted on wheels, designed to provide temporary living quarters for recreational, camping, or travel use, and of such size or weight as not to require special highway movement permits when drawn by a motorized vehicle, and with a living area of less than two hundred twenty (220) square feet, excluding built-in equipment (such as wardrobes, closets, cabinets, kitchen units, or fixtures) and bath and toilet rooms.
- (b) Camping trailer: A vehicular portable unit mounted on wheels and constructed with collapsible partial side walls which fold for towing by another vehicle and unfold at the camp site to provide temporary living quarters for recreational, camping, or travel use.
- (c) Truck campers: A portable unit constructed to provide temporary living quarters for recreational, travel, or camping use, consisting of a roof, floor, and sides, designed to be loaded onto and unloaded from the bed of a pickup truck.
- (d) Park vehicle: A vehicle which:
1. Is built on a single chassis mounted on wheels;
 2. Is primarily designed as temporary living quarters for seasonal or destination camping and which may be connected to utilities necessary for operation of installed fixtures and appliances;

3. Has a gross trailer area not exceeding four hundred (400) square feet in the set-up mode;
 4. Has a gross trailer area not less than two hundred forty (240) square feet and is certified by the manufacturer as complying with ANSI A119.5, Park Vehicles.
- (e) Motor home: A vehicular unit designed to provide temporary living quarters for recreational, camping, or travel use built on or permanently attached to a self-propelled motor vehicle chassis or on a chassis cab or van which is an integral part of the completed vehicle.
- (13) "Secretary" means the Secretary of the Federal Department of Housing and Urban Development.
- (14) "ANSI" means the American National Standards Institute.

Section 2. KRS 227.555 is amended to read as follows:

- (1) Every manufactured or mobile home as defined in KRS 227.550 shall have:
 - (a) At least one (1) working smoke detector located inside the home near the bedroom areas on each floor level; and
 - (b) At least two (2) operable means of egress, if the home was originally equipped with at least two (2) means.
- (2) The Department of Housing, Buildings and Construction, through the promulgation of administrative regulations in accordance with KRS Chapter 13A, shall design and cause to be placed:
 - (a) At each vehicle entrance to a *manufactured*~~mobile~~ home park *or community* as defined in KRS 219.320, a notice stating the requirements set out in subsection (1) of this section, the penalty for noncompliance set out in subsection (5) of this section, and any other information it deems necessary to effect the purposes of this section; and
 - (b) In each county clerk's office, a notice stating the requirements set out in subsection (1) of this section, the penalty for noncompliance set out in subsection (5) of this section, and any other information it deems necessary to effect the purposes of this section.
- (3) No public servant with the authority to issue a citation shall enter a manufactured or mobile home solely for the purpose of determining whether or not the manufactured or mobile home is in compliance with this section.
- (4) No ordinance contrary to subsections (1) and (3) of this section may be enacted by any unit of local government, and the provisions of subsections (1) and (3) shall supersede any local ordinance to the contrary. The provisions of this subsection shall not apply to any city which has adopted or may in the future adopt the Uniform Residential Landlord and Tenant Act under KRS Chapter 383.
- (5) The owners of manufactured homes and mobile homes located within a *manufactured*~~mobile~~ home park *or community* which do not comply with subsection (1) of this section shall be responsible for the correction of any violation.
- (6) Any person who violates subsection (1) of this section shall be guilty of a violation.

Section 3. KRS 227.560 is amended to read as follows:

- (1) There is hereby created the Manufactured Home Certification and Licensure Board which shall issue certificates of acceptability to qualifying manufacturers and licenses to **retailers and shall certify installers**~~[dealers]~~.
- (2) The board shall consist of the state fire marshal, the secretary of the Transportation Cabinet, the commissioner of the Department for Public Health, or their designees, and seven (7) citizens of the Commonwealth appointed by the Governor, which shall include three (3) manufactured or mobile home **retailers**~~[dealers]~~, one (1) certified manufactured or mobile home installer, and three (3) members who shall have no interest in the industry to be regulated.
- (3) The state fire marshal, the secretary of the Transportation Cabinet, and the commissioner of the Department for Public Health shall be permanent members of the board, by virtue of their respective offices. The appointed members of the board shall hold office for terms of four (4) years with their terms expiring on September 1 of even-numbered years. Each member shall hold office until his or her successor is appointed and has qualified.
- (4) In the initial appointments to the board, the Governor shall designate three (3) members to serve for two (2) years, and three (3) to serve for four (4) years. In the initial appointment of the certified manufactured or mobile home installer to the board, the Governor shall designate the member to serve for a term expiring September 1, 2004.
- (5) ***All members appointed from the manufactured housing industry shall be required to remain licensees of the office during their term and are subject to removal for chronic absenteeism.***
- (6) If a vacancy occurs in the office of one (1) of the members of the board, the position shall be filled by a person appointed by the Governor, and the person so appointed shall serve only to the end of the unexpired term.
- ~~(7)(6)~~ The chairman of the board shall be elected by the board. In the event of the chairman's absence or disability, the members of the board shall elect a temporary chairman by a majority vote of those present at a meeting.
- ~~(8)(7)~~ Each appointed member shall be entitled to fifty dollars (\$50) for each day he is in attendance at meetings or hearings or on authorized business of the board, including time spent in traveling to and from the place of the meeting, hearing, or other authorized business. Each member of the board shall also be entitled to reimbursement for travel and other necessary expenses incurred in performing official duties.
- ~~(9)(8)~~ The chairman, or in his absence a temporary chairman selected by the members of the board present at the meeting, shall preside at all meetings of the board. The board shall have regular meetings at times specified by a majority vote of the board. The chairman may call special meetings at any time. He shall call a special meeting on written request by two (2) or more members of the board. A majority of the board shall constitute a quorum to transact business.
- ~~(10)(9)~~ All staff assistance deemed necessary by the board to carry out the functions and duties assigned to it in KRS 227.550 to 227.660 shall be provided by the office and shall function under the supervision of the administrative head of the office.

Section 4. KRS 227.565 is amended to read as follows:

- (1) There is hereby created the Recreational Vehicle Certification and Licensure Board which shall issue certificates of acceptability to qualifying manufacturers and licenses to *retailers*~~{dealers}~~.
- (2) The board shall consist of the state fire marshal, the secretary of the Transportation Cabinet, the commissioner of the Department for Public Health, or their designees, and six (6) citizens of the Commonwealth appointed by the Governor, which shall include one (1) manufacturer of recreational vehicles and two (2) recreational vehicle *retailers*~~{dealers}~~, and three (3) members who shall have no interest in the industry to be regulated.
- (3) The state fire marshal, the secretary of the Transportation Cabinet, and the commissioner of the Department for Public Health shall be permanent members of the board, by virtue of their respective offices. The appointed members of the board shall hold office for terms of four (4) years with their terms expiring on September 1 of even-numbered years. Each member shall hold office until his successor is appointed and has qualified.
- (4) In the initial appointments to the board, the Governor shall designate three (3) members to serve for two (2) years, and three (3) to serve for four (4) years.
- (5) If a vacancy occurs in the office of one (1) of the members of the board, the position shall be filled by a person appointed by the Governor, and the person so appointed shall serve only to the end of the unexpired term.
- (6) The chairman of the board shall be the state fire marshal. In the event of the chairman's absence or disability, the members of the board shall elect a temporary chairman by a majority vote of those present at a meeting.
- (7) Each appointed member shall be entitled to fifty dollars (\$50) for each day he is in attendance at meetings or hearings or on authorized business of the board, including time spent in traveling to and from the place of the meeting, hearing, or other authorized business. Each member of the board shall also be entitled to reimbursement for travel and other necessary expenses incurred in performing official duties.
- (8) The chairman, or in his absence a temporary chairman selected by the members of the board present at the meeting, shall preside at all meetings of the board. The board shall have regular meetings at times specified by a majority vote of the board. The chairman may call special meetings at any time. He shall call a special meeting on written request by two (2) or more members of the board. A majority of the board shall constitute a quorum to transact business.
- (9) All staff assistance deemed necessary by the board to carry out the functions and duties assigned to it in KRS 227.550 to 227.660 shall be provided by the office and shall function under the supervision of the administrative head of the office.

Section 5. KRS 227.570 is amended to read as follows:

- (1) The office shall enforce such standards and requirements for the installation of plumbing, heating, and electrical systems in mobile homes and for recreational vehicles as it determines are reasonably necessary in order to protect the health and safety of the occupants and the public. These standards and requirements shall be those adopted by the Manufactured Home Certification and Licensure Board or the Recreational Vehicle Certification and Licensure Board.
- (2) The office shall enforce such standards and requirements for the body and frame design, construction, and installation of mobile homes as it determines are reasonably necessary in

order to protect the health and safety of the occupants and the public. These standards and requirements shall be those adopted by the Manufactured Home Certification and Licensure Board. If any part of 1976 Ky. Acts ch. 136 conflicts with Title 6 of the Federal Housing and Community Development Act of 1974, the federal act shall take precedence.

- (3) ~~All~~^{New} installations of manufactured homes and mobile homes shall be ***performed by an installer certified under the provisions of Section 3 of this Act*** in accordance with the manufacturer's instructions, ***if available***, or ANSI 225.1, Manufactured Home Installations.

Section 6. KRS 227.590 is amended to read as follows:

- (1) The board shall make and the office shall enforce rules and regulations reasonably required to effectuate the provisions of KRS 227.550 to 227.660 and to carry out their responsibilities as a state administrative agency for the enforcement and administration of the federal act.
- (2) At least thirty (30) days before the adoption or promulgation of any change in or addition to the rules and regulations authorized in subsection (5) of this section the office shall mail to all manufacturers possessing valid certificates of acceptability and ***retailers***~~dealers~~ possessing valid licenses a notice including a copy of the proposed changes and additions and the time and place that the board will consider any objections to the proposed changes and additions. After giving the notice required by this section, the board shall afford interested persons an opportunity to participate in the rule making through submission of written data, views, or arguments with or without opportunity to present the same orally in any manner.
- (3) Every rule or regulation or modification, amendment, or repeal of a rule or regulation adopted by the board shall state the date it shall take effect.
- (4) Notwithstanding the provisions of KRS 227.550 to 227.660, the board shall have the authority to promulgate rules and regulations exempting manufacturers and ***retailers***~~dealers~~ from the provisions of KRS 227.550 to 227.660 when manufactured homes, mobile homes, and recreational vehicles are brought into this state for exhibition only.
- (5) All rules, regulations, codes, fees, and charges adopted by the board pursuant to KRS 227.550 to 227.660 shall be prepared and filed in accordance with KRS Chapter 13A.
- (6) The board shall have the authority to promulgate rules and regulations to issue temporary licenses, not to exceed thirty (30) days, to out-of-state ***retailers***~~dealers~~ for the purpose of participating in manufactured home and recreational vehicle shows in the Commonwealth of Kentucky.

Section 7. KRS 227.600 is amended to read as follows:

- (1) No manufacturer who has received a certificate of acceptability from the office may sell or offer for sale in this state any recreational vehicles unless they bear a seal of approval issued by and purchased from the office.
- (2) Seals issued by the office shall be numbered and shall be affixed by the manufacturer to the recreational vehicle in a conspicuous place.
- (3) Any ***retailer***~~dealer~~ who has acquired a ***previously-owned***~~used~~ manufactured home, mobile home, or recreational vehicle without a seal shall apply to the office for ***the appropriate***~~a Class B~~ seal by submitting an affidavit that the unit has been brought up to

or meets reasonable standards established by the board for *previously-owned*~~[used]~~ manufactured homes, mobile homes, or recreational vehicles. Those manufactured homes or mobile homes taken in trade must be reinspected and certified. A numbered Class *BI* Seal shall be affixed by the *retailer*~~[dealer]~~ to the unit prior to sale. A seal will not be required if such *retailer*~~[dealer]~~ submits an affidavit that the unit will not be resold for use as such by the public. A *retailer*~~[dealer]~~ shall not transport or install a manufactured or mobile home which is to be used for residential purposes which does not have a ~~Class A or~~ Class *BI* Seal.

- (4) The owner of any manufactured home or mobile home which is not covered by the federal act or a recreational vehicle purchased in another state and not bearing a seal of approval shall purchase a seal from the office. Application to purchase a seal of approval shall be made to the office or other person or agency authorized by the state fire marshal.
- (5) The office shall make available suitable forms for application for seals of approval for new and *previously-owned*~~[used]~~ recreational vehicles and for *previously-owned*~~[used]~~ manufactured homes or mobile homes which are not covered by the federal act and recreational vehicles.
- (6) The clerk of the county in which a manufactured home, mobile home, or recreational vehicle is sought to be registered after June 1, 1976, which was purchased out of Kentucky, shall require production of proof of purchase of a seal of approval as provided in subsection (4) of this section before registering or issuing a license for any manufactured home, mobile home, or recreational vehicle.

Section 8. KRS 227.610 is amended to read as follows:

The office shall, *after approval by the board*, license *retailers*~~[dealers]~~ under the provisions of KRS 227.550 to 227.660. The office may make the issuance of a license contingent upon the applicant's chief managing officer passing a test administered by the office. *Before issuing a license, the office shall require proof of liability insurance which shall name the office in the certificate of insurance, and the license shall be null and void if there is a lapse of coverage in insurance.*

Section 9. KRS 227.620 is amended to read as follows:

- (1) No *retailer*~~[dealer]~~ shall engage in business as such in this state without a license therefor as provided in KRS 227.550 to 227.660.
- (2) Application for license shall be made to the *board*~~[office]~~ at such time, in such form and contain such information as the *board*~~[office]~~ shall require and shall be accompanied by the required fee. The *board*~~[office]~~ may require in such application, or otherwise, such information as it deems commensurate with the safeguarding of the public interest in the locality in which said applicant proposes to engage in business, all of which may be considered by the *board*~~[office]~~ in determining the fitness of said applicant to engage in business as set forth in KRS 227.550 to 227.660.
- (3) All licenses shall be granted or refused within thirty (30) days after application therefor, and shall expire, unless sooner revoked or suspended, on December 31 of the calendar year for which they are granted.
- (4) The license fee for such calendar year or part thereof shall be established by the board, subject to the following maximums:

- (a) For manufacturers a "certificate of acceptability" shall be subject to a maximum of five hundred dollars (\$500).
 - (b) For *retailers*~~[dealers]~~ the maximum license fee shall be two hundred fifty dollars (\$250) for each established place of business.
 - (c) The fee for a "Class A Seal" or a "Class B Seal" *for recreational vehicles* shall be established by the board subject to a maximum of twenty-five dollars (\$25) per seal.
 - (d) ***The fee for a "Class B1 Seal" and "Class B2 Seal" for manufactured and mobile homes shall be established by the board subject to a maximum of twenty-five dollars (\$25) per seal.***
 - (e) The office may establish a monitoring inspection fee in an amount established by the secretary. This monitoring inspection fee shall be an amount paid by each manufactured home manufacturer in this state for each manufactured home produced by the manufacturer in this state. The monitoring inspection fee shall be paid by the manufacturer to the secretary or the secretary's agent, who shall distribute the fees collected from all manufactured home manufacturers among the states approved and conditionally approved by the secretary based on the number of new manufactured homes whose first location after leaving the manufacturing plant is on the premises of a distributor, *retailer*~~[dealer]~~, or purchaser in that state, and the extent of participation of the state in the joint team monitoring program established under the National Manufactured Housing Construction and Safety Standards Act of 1974, *as amended*.
- (5) All revenues raised through the provisions of subsections (4)(a), (b), and (c), and funds paid to the state by the secretary under the provisions of subsection (4)(d) of this section shall be deposited in a trust and agency fund and shall be used solely for the purpose of carrying out the provisions of KRS 227.550 to 227.660 and other departmental responsibilities. No amount of such trust and agency fund shall lapse at the end of any fiscal year.
- (6) The licenses of *retailers*~~[dealers]~~ shall specify the location of the established place of business and must be conspicuously displayed there. In case such location be changed, ***the retailer shall notify the office of any change of location, and*** the office shall endorse the change of location on the license without charge if it be within the same municipality. A change of location to another municipality ***or to a county which is not adjacent to the county where the business is located*** shall require a new license.
- (7) Every *retailer*~~[dealer]~~ licensed in accordance with the provisions of this section shall make reports to the office at such intervals and showing such information as the office may require.
- (8) Each manufacturer, distributor of manufactured homes or mobile homes, and *retailer*~~[dealer]~~ of manufactured or mobile homes shall establish and maintain such records, make such reports, and provide such information as the office or the secretary may reasonably require to be able to determine whether such manufacturer, distributor, or *retailer*~~[dealer]~~ has acted or is acting in compliance with KRS 227.550 to 227.660 or the federal act and shall, upon request of a person duly designated by the office or secretary, permit such person to inspect appropriate books, papers, records, and documents relevant to determining whether such manufacturer, distributor, or *retailer*~~[dealer]~~ has acted or is acting in compliance with KRS 227.550 to 227.660 or the federal act.

Section 10. KRS 227.630 is amended to read as follows:

- (1) A license, **certification**, or certificate of acceptability may be denied, suspended, or revoked on the following grounds:
 - (a) A showing of insolvency in a court of competent jurisdiction;
 - (b) Material misstatement in application for license, **certification**, or certificate of acceptability;
 - (c) Willful failure to comply with any provisions of KRS 227.550 to 227.660 or any rule or regulation promulgated by the board under KRS 227.550 to 227.660;
 - (d) Willfully defrauding any buyer;
 - (e) Willful failure to perform any written agreement with any buyer or **retailer**~~{dealer}~~;
 - (f) Failure to have or to maintain an established place of business;
 - (g) Failure to furnish or maintain the required insurance;
 - (h) Making a fraudulent sale, transaction, or repossession;
 - (i) Employment of fraudulent devices, methods, or practices in connection with the requirements under the statutes of this state with respect to the retaking of goods under retail installment contracts and the redemption and resale of such goods;
 - (j) Failure by a **retailer**~~{dealer}~~ to put the title to a manufactured home, mobile home, or recreational vehicle in his name after said **retailer**~~{dealer}~~ has acquired ownership of the manufactured home, mobile home, or recreational vehicle by trade or otherwise;
 - (k) Violation of any law relating to the sale or financing of manufactured homes, mobile homes, or recreational vehicles.
- (2) If a licensee is a firm or corporation, it shall be sufficient cause for the denial, suspension, or revocation of a license that any officer, director, or trustee of the firm or corporation, or any member in case of a partnership, has been guilty of any act or omission which would be cause for refusing, suspending, or revoking a license to such party as an individual. Each licensee shall be responsible for any or all of his **or her salespersons**~~{salesmen}~~ while acting as his agent while the said agent is acting within the scope of his authority.
- (3) Upon proceedings for the suspension of a license, **certification**, or certificate of acceptability for any of the violations enumerated in KRS 227.550 to 227.660, the licensee or holder of a certificate of acceptability may have the alternative, subject to the approval of the board, to pay in lieu of part or all of the days of any suspension the sum of fifty dollars (\$50) per day. Payments in lieu of suspension collected by the board shall be deposited in the State Treasury and credited to the general expenditure fund.

Section 11. KRS 227.640 is amended to read as follows:

- (1) The **board**~~{state fire marshal}~~ may deny the application for a license, **certification**, or certificate of acceptability within thirty (30) days after receipt thereof by written notice to the applicant, stating the grounds for such denial.
- (2) No license, **certification**, or certificate of acceptability shall be suspended or revoked by the **board**~~{state fire marshal}~~ unless the licensee or certificate holder is afforded the opportunity for a hearing to be conducted in accordance with KRS Chapter 13B.
- (3) Any manufacturer, **certified installer**, or licensed **retailer**~~{dealer}~~ who violates or fails to comply with KRS 227.550 to 227.660 or any administrative regulations promulgated

thereunder shall be notified in writing setting forth facts describing the alleged violation and instructed to correct the violation, if it is correctable, within twenty (20) days. Should the manufacturer, *certified installer*, or *retailer*~~{dealer}~~ fail to make the necessary corrections within the specified time or if the violation is not correctable, the *board*~~{state fire marshal}~~ may, after notice and hearing in accordance with KRS Chapter 13B, suspend or revoke any certificate of acceptability, *certification*, or license if it finds that:

- (a) The manufacturer, *certified installer*, or *retailer*~~{dealer}~~ has failed to pay the fees authorized by KRS 227.550 to 227.660; or that
- (b) The manufacturer, *certified installer*, or *retailer*~~{dealer}~~, either knowingly or without the exercise of due care to prevent the same, has violated any provision of KRS 227.550 to 227.660 or any administrative regulation or order lawfully made pursuant to and within the authority of KRS 227.550 to 227.660; or that
- (c) The manufacturer has shipped or imported into this state a manufactured home, mobile home, or recreational vehicle to any person other than to a duly licensed *retailer*~~{dealer}~~.

The office shall set out, through the promulgation of administrative regulations in accordance with the provisions of KRS Chapter 13A, and shall provide for a dispute resolution process which may be used prior to a formal hearing under KRS Chapter 13B. The dispute resolution process shall be nonbinding on the licensee, certified installer, or manufacturer and shall be conducted after application for a KRS Chapter 13B hearing, but prior to the convening of the KRS Chapter 13B hearing.

- (4) Any person aggrieved by any final order of the state fire marshal may appeal to the Franklin Circuit Court in accordance with KRS Chapter 13B.

Section 12. KRS 227.650 is amended to read as follows:

- (1) The office is empowered to inspect all mobile homes which are not covered by the federal act and recreational vehicles for which it has issued a seal of approval.
- (2) The office may establish and require such training programs in the concept, techniques, and inspection of manufactured homes, mobile homes, and recreational vehicles for the personnel of local governments, as the office considers necessary.
- (3) The staff of the office, upon showing proper credentials and in the discharge of their duties pursuant to KRS 227.550 to 227.660 or the federal act, is authorized with the consent of the manufacturer or by proper warrant to enter and inspect all factories, warehouses, or establishments in this state in which manufactured homes are manufactured *or stored*.

SECTION 13. A NEW SECTION OF KRS 227.550 TO 227.650 IS CREATED TO READ AS FOLLOWS:

- (1) *No person shall transport into the Commonwealth of Kentucky any previously-owned manufactured or mobile home for the purpose of resale or use as a dwelling in the Commonwealth of Kentucky unless the previously-owned manufactured or mobile home has a B1 Seal attached to it prior to resale or use as a dwelling. The application and certification procedures for the attachment of the B1 Seal prior to the resale or occupancy of the manufactured or mobile home shall be set out by the office through the promulgation of administrative regulations in accordance with the provisions of KRS Chapter 13A. Nothing in this section shall require a person who owns a manufactured or*

mobile home in another state and who transports that manufactured or mobile home into the Commonwealth of Kentucky to use as that person's dwelling to obtain a Class B seal.

- (2) *Except for manufactured or mobile homes installed within the Commonwealth of Kentucky before the effective date of this Act, no person shall sell, lease, rent, or furnish for use as a dwelling in the Commonwealth of Kentucky any previously-owned manufactured or mobile home that does not bear a B1 Seal and which is not installed in compliance with the manufacturer's instructions, if available, or ANSI 225.1, Manufactured Home Installations.*

Approved April 7, 2004