

CHAPTER 217**(SB 122)**

AN ACT relating to recreational vehicles.

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

SECTION 1. A NEW SECTION OF KRS CHAPTER 227 IS CREATED TO READ AS FOLLOWS:

- (1) ***All recreational vehicles sold, leased, or offered for sale or lease by a retailer to a consumer in this state shall be constructed in accordance with the most recent ANSI standards on recreational vehicles.***
- (2) ***All park vehicles sold, leased, or offered for sale or lease by a retailer to a consumer in this state shall be constructed in accordance with the most recent ANSI standards on park vehicles.***

Section 2. 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 United States Department of Housing and Urban Development seal for manufactured homes~~[- and the Class A Seal for recreational vehicles].~~
- (3) "Class B1 Seal" and "Class B2 Seal" mean seals issued pursuant to subsection (1)~~[(3)]~~ of KRS 227.600.
- (4) "Retailer" means any person, firm, or corporation, who sells or offers for sale two (2) or more manufactured homes, mobile homes, or recreational vehicles in any consecutive twelve (12) month period. The term "retailer" 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.
- (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, 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 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 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 housing" means manufactured homes, mobile homes,~~[- recreational vehicles,]~~ or mobile office units.
- (9) "Manufacturer" means any person who manufactures manufactured homes~~[- or recreational vehicles]~~ and sells to Kentucky retailers.
- (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.

- (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 ***not requiring a special permit for movement on Kentucky highways.*** ~~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 3. KRS 227.580 is amended to read as follows:

- (1) It is unlawful for any manufacturer to manufacture, import, or sell manufactured homes ~~or recreational vehicles~~ within this state unless such manufacturer has been issued a certificate of acceptability for such manufactured homes ~~or recreational vehicles~~ from the office. This provision shall not, however, apply to manufactured homes ~~or recreational vehicles~~ manufactured in this state and designated for delivery to and sale in ***another*** ~~a~~ state ~~that has a code that is inconsistent with KRS 227.550 to 227.660~~.
- (2) The office shall require that the manufacturer establish and submit to the office for approval systems for quality control for recreational vehicles prior to the issuance of a certificate of acceptability. †
- (a) ~~The office shall issue a certificate of acceptability to any manufacturer within or without this state upon receipt of an application from such manufacturer to which is attached an affidavit certifying that any recreational vehicle manufactured by the applicant shall be built in compliance with the applicable code adopted by the Recreational Vehicle Certification and Licensure Board.~~
- (b) ~~†~~Certificates of acceptability shall be numbered and a record shall be kept by the office, by number, of the certificates issued to manufacturers.
- (3) No manufacturer to which a certificate of acceptability has been issued shall modify in any way its manufacturing specifications without prior written approval of the office.
- ~~(4) The office may determine that the standards for recreational vehicles established by a state or a recognized body or agency of the federal government or other independent third party are at least equal to those standards~~

~~adopted by the Recreational Vehicle Certification and Licensure Board. If the office finds that such standards are actually enforced then it may issue a certificate of acceptability for such recreational vehicles.]~~

Section 4. 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 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 from the provisions of KRS 227.550 to 227.660 when manufactured homes ~~or~~ 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 for the purpose of participating in manufactured home ~~and recreational vehicle~~ shows in the Commonwealth of Kentucky.

Section 5. 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 who has acquired a previously owned manufactured home, mobile home, or recreational vehicle without a seal shall apply to the office for the appropriate seal by submitting an affidavit that the unit has been brought up to or meets reasonable standards established by the board for previously owned manufactured homes, mobile homes, or recreational vehicles. Those manufactured homes or mobile homes taken in trade must be reinspected and certified. A numbered Class B1 Seal shall be affixed by the retailer to the unit prior to sale. A seal will not be required if such retailer submits an affidavit that the unit will not be resold for use as such by the public. A retailer shall not transport or install a manufactured or mobile home which is to be used for residential purposes which does not have a Class B1 Seal.
- ~~(2)~~~~(4)~~ The owner of any manufactured home or mobile home which is not covered by the federal act *and which was*~~for 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.
- ~~(3)~~~~(5)~~ The office shall make available suitable forms for application for seals of approval for ~~new and previously owned recreational vehicles and for~~ previously owned manufactured homes or mobile homes which are not covered by the federal act and *for previously owned* recreational vehicles.
- ~~(4)~~~~(6)~~ The clerk of the county in which a manufactured home, mobile home, or *previously owned* 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 ~~(2)~~~~(4)~~ of this section before registering or issuing a license for any manufactured home, mobile home, or *previously owned* recreational vehicle.

Section 6. KRS 227.620 is amended to read as follows:

- (1) No retailer 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 at such time, in such form and contain such information as the board shall require and shall be accompanied by the required fee. The board 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 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. The initial license for a retailer shall expire on the last day of the licensee's birth month in the following year. The board may reduce the license fee on a pro rata basis for initial licenses issued for less than twelve (12) months. Renewed licenses shall expire on the last day of the licensee's birth month of each year after the date of issuance of the renewed license.
- (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 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 **and the application form and seal shall be made available from the office.**
 - (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, 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 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 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 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 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 has acted or is acting in compliance with KRS 227.550 to 227.660 or the federal act.

Section 7. KRS 227.640 is amended to read as follows:

- (1) The board 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 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 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 fail to make the necessary corrections within the specified time or if the violation is not correctable, the board 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 has failed to pay the fees authorized by KRS 227.550 to 227.660; or that
 - (b) The manufacturer, certified installer, or retailer, 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 ~~or~~ mobile home ~~or recreational vehicle~~ to any person other than to a duly licensed retailer.

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 8. 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 *previously owned* 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 *previously owned* 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 9. KRS 227.660 is amended to read as follows:

The office, subject to the provisions of Chapter 18A and Chapter 64 of the Kentucky Revised Statutes, may set qualifications, employ, and fix the compensation of such state inspectors as the office deems necessary to carry out the functions of KRS 227.550 to 227.650. To carry out the provisions of KRS 227.550 to 227.650, the office may authorize the state inspectors to travel within or without the state for the purposes of inspecting the manufacturing facilities for manufactured homes ~~and recreational vehicles~~ or for any other purpose in connection with KRS 227.550 to 227.650.

Section 10. The following KRS section is repealed:

227.565 Recreational Vehicle Certification and Licensure Board -- Membership -- Compensation -- Meetings.

Approved April 21, 2006.