
Rules of
Department of Economic
Development
Division 240—Public Service Commission
Chapter 123—Modular Units

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**Title 4—DEPARTMENT OF
ECONOMIC DEVELOPMENT
Division 240—Public Service Commission
Chapter 123—Modular Units**

4 CSR 240-123.010 Definitions

PURPOSE: This rule defines the terms used in this chapter.

(1) The following definitions, as well as those set out in section 700.010, RSMo (1986) shall apply to this chapter:

(A) Application means an application for a seal;

(B) Approved insignia means an insignia issued by a state with which this state has entered into a reciprocity agreement under section 700.030, RSMo (1986);

(C) Approved manufacturing program means a manufacturing program approved in writing by the director as conforming to the requirements of this chapter, the code and Chapter 700, RSMo (1986) as it relates to modular homes;

(D) Code means the standards relating to manufactured homes, recreational vehicles or modular units as adopted by the commission. The commission, in its discretion, may incorporate, in whole or in part, the standards codes promulgated by the American National Standards Institute, the United States Department of Housing and Urban Development or other recognized agencies or organizations;

(E) Director means the director of the Division of Manufactured Homes, Recreational Vehicles and Modular Units of the Public Service Commission and those working under his/her supervision;

(F) Insignia means the device which in other states is affixed to a modular unit to evidence compliance with state prescribed manufacturing and safety standards;

(G) Manufacturing program means a plan for manufacturing modular units which is comprised of at least a quality control manual and detailed plans for each type of modular unit to be manufactured under the program;

(H) Modular unit means a factory fabricated transportable building section designed to be used by itself or to be incorporated with other sections at a building site into single modular structures to be used for residential, commercial, educational or industrial purposes. For purposes of this chapter, modular unit only means a unit(s) making up a completed modular structure. Separate modular sections are not modular units until assembled into a single modular unit. A manufactured modular unit may be moved as more

than one (1) unit, but shall not consist of panels, nor individual pieces to be assembled on the permanent foundation or be more than those necessary pieces needed to complete final set up;

(I) Replacement seal means a seal which has been issued to replace a lost, mutilated or otherwise unserviceable seal or approved insignia; and

(J) Seal as defined by section 700.010, RSMo (1986) includes replacement seal.

AUTHORITY: section 700.100, RSMo 1986. Original rule filed Aug. 16, 1979, effective Dec. 15, 1979. Amended: Filed Oct. 12, 1982, effective Jan. 13, 1983.

4 CSR 240-123.020 Administration and Enforcement

PURPOSE: This rule delegates the responsibility for administering and enforcing the code, this chapter and Chapter 700, RSMo as it relates to modular units or homes.

(1) The commission's powers and responsibilities under Chapter 700, RSMo (1986), with respect to modular units, except the power to revoke, deny, refuse to renew or place on probation a registration under section 700.090, RSMo (1986), are delegated to the director.

(2) Manufacturers shall be responsible for all necessary repairs due to nonconformance of standards regardless of their selling agent.

(3) Selling agent shall assume responsibility of repairs due to nonconformance of standards if manufacturer goes out of business, avoids process or is judgment proof.

AUTHORITY: section 700.040, RSMo 1986. Original rule filed Aug. 16, 1979, effective Dec. 15, 1979.

4 CSR 240-123.030 Seals

PURPOSE: This rule describes the modular unit to which seals or approved insignia must be affixed and the standards and procedures which relate to the issuance of seals and the removal of seals and approved insignia.

(1) No modular unit which entered the first stage of production after July 1, 1976 shall be rented, leased or sold or offered for rent, lease or sale in this state unless a seal or approved insignia is properly affixed to it.

(2) An application for a seal shall be submitted to the director and it shall be executed on a form which shall be provided by him/her upon delivery to him/her of a nonrefundable two dollar (\$2) fee. One (1) form may be used to apply for all seals required at a given time.

(3) To be complete, an application for seals to affixed to modular units manufactured or be manufactured under an approved manufacturing program shall be executed by the manufacturer (or the manufacturer's authorized representative if the manufacturer is a corporation) of the modular unit to which the requested seals will be affixed and shall include:

(A) An affidavit of the applicant or the applicant's authorized representative if the applicant is a corporation, certifying that each requested seal will be affixed only to modular units manufactured under an approved manufacturing program and that each modular unit to which a requested seal will be affixed will comply with the code at the time it is rented, leased, sold or offered for rent, lease or sale by the applicant; and

(B) A nonrefundable fee of twenty dollars (\$20) for each seal requested.

(4) Within eight (8) working days after a complete application has been received by the director, the director shall inspect for code compliance each modular unit for which a seal has been requested, unless it has been or will be manufactured under an approved manufacturing program. If through no fault of the applicant the inspection is not conducted within the prescribed time, the requested seal shall be issued within the required time if no basis for rejection is found on the face of the application.

(5) The director is authorized to refuse to issue a seal under the following circumstances:

(A) If the modular unit to which the seal is to be affixed does not comply with the code which was in effect when it entered the first stage of production;

(B) If the director has not approved the applicant's manufacturing program or if the director's approval of the applicant's manufacturing program has lapsed, expired or been withdrawn;

(C) If at the time of application the director has reason to believe that the applicant is failing to abide by Chapter 700, RSMo (1986); and

(D) If the director has reason to believe that the seal will be placed on a unit which is not a complete modular unit.

(6) A seal or a written refusal to issue a seal shall be issued by the director within ten (10) working days after s/he has received a complete application. A notice of refusal shall specify the reason for refusal.

(7) Seals shall be delivered by one (1) of the following methods:

(A) By prepaid certified mail, requesting a return receipt signed by addressee only, sent to the applicant's place of business; or

(B) By delivery to an applicant in person at the office of the secretary of the commission. Upon delivery of seals by this method, the applicant shall provide to the secretary of the commission a written acknowledgement of receipt.

(8) A seal shall be affixed with a permanent weatherproof adhesive to the outside surface in the right rear corner of a completed modular unit (structure). A seal shall be located so that person(s) shall have an unobstructed view of seal.

(9) Within thirty (30) days of the discovery that a seal issued to him/her has become lost, mutilated or otherwise unserviceable, a dealer or manufacturer shall provide written notice of such to the director.

(10) Any person to whom a seal has been issued or who owns a modular unit to which a seal or approved insignia has been affixed may apply for the replacement of such seal or approved insignia if it becomes lost, mutilated or otherwise unserviceable. Applications for replacement seals shall be made on the same forms and in the same manner as applications for seals are made under this rule. A fee of ten dollars (\$10) shall be charged for a replacement seal.

(11) Seals and approved insignia may be removed by the director from any modular unit a which is found to be in violation of the code which was in effect when it entered the first stage of production. Seals issued to a person who manufactures modular units under an approved manufacturing program must be returned to the director immediately if the approval is withdrawn by the director.

(12) If the director removes a seal or approved insignia from a modular unit, s/he shall provide written notice of such action to the owner of the unit. The notice shall be mailed within five (5) working days of the removal and shall be sent by prepaid certified mail, requesting a return receipt signed by addressee only, to the last known address of

the owner. The notice shall state the reason for the removal.

(13) When a seal or approved insignia is removed by the director, s/he shall place a prohibited sale notice in the location specified for the seal in section (9) of this rule. A prohibited sale notice shall state that the rental, lease or sale or the offering for rent, lease or sale of the modular unit to which the notice is attached is prohibited under section 700.015, RSMo (1986). The prohibited sale notice shall also state that further information may be obtained from the director, whose name, address and telephone number shall be listed. A copy of the prohibited sale notice shall be filed with the commission.

AUTHORITY: section 700.040, RSMo 1986. Original rule filed Aug. 16, 1979, effective Dec. 15, 1979. Amended: Filed Oct. 12, 1982, effective Jan. 13, 1983.

4 CSR 240-123.040 Approval of Manufacturing Programs

PURPOSE: This rule establishes the procedure under which a manufacturing program may be approved and the circumstances under which an approval of a manufacturing program will lapse, expire or be withdrawn.

(1) To have a manufacturing program considered for approval, the manufacturer who will use the program for which approval is sought shall submit the following information, documents and material to the director:

(A) The name and address of the manufacturer who will use the program for which approval is sought;

(B) If the manufacturer who will use the program for which approval is sought is a corporation, a copy of the corporation's articles of incorporation, bylaws and most recent annual registration filed under section 351.120, RSMo along with a copy of documents which verify that the officer who has executed the application has actual authority to have done so. The copies shall be retained by the commission so that as long as the original documents remain unchanged an applicant who has once submitted such copies shall not be required to resubmit them with subsequent requests for approval of a manufacturing program;

(C) The make and style of the modular units which will be produced under the manufacturing program for which approval is sought;

(D) The earliest date on which production will begin under the manufacturing program for which approval is sought;

(E) Two (2) copies of the quality control manual under which the manufacturing program for which approval is sought will be implemented. The manual shall at least include a description which is sufficient to demonstrate compliance with the code for every procedure relating to the manufacturing of modular units for which the code contains a requirement;

(F) Two (2) copies of detailed plans for each type of modular unit which will be produced under the manufacturing program for which approval is sought. Such detailed plans shall at least include, for every part or component for which the code contains a requirement, a description which is sufficient to demonstrate compliance with the code;

(G) Third party inspection for compliance to required codes; and

(H) Both selling agent and manufacturer shall register with the Public Service Commission Mobile Home Division before any sales are made by either party. The registration must be renewed annually.

(2) Approval of a manufacturing program shall be evidenced by the director's stamp of approval on the quality control manual and detailed plans which comprise the program. Upon approval of a manufacturing program the director shall return to the manufacturer a copy of the quality control manual and detailed plans which bear his/her stamp of approval. A copy of the original of such approved quality control manual and detailed plans shall be retained at each location where the manufacturing program which they comprise is implemented.

(3) A nonrefundable fee of fifty dollars (\$50) shall accompany each request for approval or reapproval of a manufacturing program.

(4) Within ten (10) working days of the submission to the director of the required fee and the information necessary for him/her to consider a request for approval of a manufacturing program, the director shall approve or refuse to approve the request. A notice of refusal shall specify the reason for refusal.

(5) The approval of a manufacturing program shall lapse when any changes, not approved in writing by the director, are made in any procedure, part or component for which the code includes a requirement. The director shall promptly provide written approval of such changes after s/he has received a written

description of them which is sufficient to demonstrate that they comply with the code.

(6) Approval of a manufacturing program shall expire when the code under which such program was approved is revised or replaced. Reapproval of a manufacturing program whose approval has expired shall be obtained in the same manner that approval of a manufacturing program is originally obtained.

(7) The director shall withdraw his/her approval of a manufacturing program if s/he finds—

(A) A manufacturer is failing to abide by this chapter or chapter 700, RSMo (1986);

(B) Seals issued under an application for seals for modular units to be produced under an approved manufacturing program have been affixed to modular units which were not manufactured under an approved manufacturing program;

(C) Seals have been affixed to modular units after the approval for the manufacturing program for the units has lapsed or expired;

(D) Manufacturer's units fail to comply with annual registration requirement; and

(E) Manufacturer fails to renew plans.

(8) If the director withdraws his/her approval of a manufacturing program, s/he shall provide written notice of such action to the manufacturer. The notice shall be mailed within five (5) working days of the withdrawal and shall be sent by prepaid certified mail to the last known address of the manufacturer requesting return receipt signed by addressee only. The notice shall state the reason for the withdrawal.

(9) A person who produces modular units under an approved manufacturing program shall mail or deliver to the director, by the tenth day of each month, a report which identifies the modular unit by make, style, serial number and dealer's name and location to which seals have been affixed since the previous report and the seal number of each unit.

AUTHORITY: section 700.040, RSMo 1986. Original rule filed Aug. 16, 1979, effective Dec. 15, 1979. Amended: Filed Oct. 12, 1982, effective Jan. 13, 1983.

4 CSR 240-123.050 Inspection of Manufacturer's Books, Records, Inventory and Premises

PURPOSE: This rule sets forth the extent to which manufacturer's books, records, inven-

tory and premises are subject to inspection by the director.

(1) The books, records, inventory and premises of a manufacturer shall from time-to-time during normal business hours be subject to an inspection by the director to ascertain—

(A) If the manufacturer is complying with this chapter and chapter 700, RSMo (1986);

(B) If the manufacturing program is being implemented according to the quality control manual and detailed plans which comprised it when it was approved;

(C) If grounds exist to withdraw the approval of a manufacturing program; and

(D) If grounds exist under section 700.100, RSMo (1986) to reject an application for registration filed under section 700.090, RSMo (1986) or to refuse to renew, suspend, revoke or place on probation a registration which has been made under section 700.090, RSMo (1986).

AUTHORITY: section 700.040, RSMo 1986. Original rule filed Aug. 16, 1979, effective Dec. 15, 1979.

4 CSR 240-123.060 Inspection of Dealer's Books, Records, Inventory and Premises

PURPOSE: This rule sets forth the extent to which dealer's books, records, inventory and premises are subject to inspection by the director.

(1) The books, records, inventory and premises of a dealer shall from time-to-time during normal business hours be subject to an inspection by the director to ascertain if grounds exist under section 700.100, RSMo (1986) to reject an application for registration filed under section 700.090, RSMo (1986) or to refuse to renew, suspend, revoke or place on probation a registration which has been made under section 700.090, RSMo (1986).

AUTHORITY: section 700.040, RSMo 1986. Original rule filed Aug. 16, 1979, effective Dec. 15, 1979.

4 CSR 240-123.075 Modular Unit Inspection Fee

PURPOSE: This rule provides for the manner in which inspection fees assessed on modular unit sales are calculated by the commission and submitted by registered dealers.

(1) The commission may, prior to the beginning of each fiscal year starting with the fis-

cal year commencing on July 1, 2000, issue an order establishing an inspection fee to be assessed on all modular units sold in the state of Missouri. Said inspection fee will be calculated as follows:

(A) The commission will determine the funding needs of the manufactured housing and modular units program;

(B) The director will determine through dealer monthly sales reports the aggregate number of new manufactured homes, pre-owned manufactured homes, and modular units sold in the 12-month period commencing May 1 and ending April 30 immediately preceding each fiscal year;

(C) The director will estimate the funds that the program will receive through dealer and manufacturer registrations, plan approvals, and any other fees that the program receives on a yearly basis, based on prior year's receipts; and

(D) The director will subtract the amount determined in subsection (C) above from the program's legislative appropriation. That amount will then be divided by the aggregate number of new manufactured homes, pre-owned manufactured homes, and modular units sold as determined in subsection (B) above. The resulting amount will be rounded up to the next nearest whole dollar amount. This amount will be presented to the commission for approval.

(2) Modular unit dealers shall remit fees to the director in an amount that equals the number of modular units sold, multiplied by the inspection fee as approved by the commission. Dealers shall submit said fees with the monthly sales report that is required by 4 CSR 240-120.130 and 4 CSR 240-123.070. Said fees shall be received no later than the tenth day following the month when the sales were made.

(3) The following situations shall constitute grounds for the denial, suspension, revocation, or placing on probation of a dealer's certificate of registration:

(A) Failure to pay fees within 30 days of their prescribed due date;

(B) Failure to pay fees by the prescribed due date for two consecutive months; or

(C) Failure to pay fees by the prescribed due date for any four of the preceding 12 months.

(4) If a dealer remits the inspection fee for a modular unit and the sale is rescinded within 60 days of the date of the sale, the dealer has 60 days from the date of said rescission to request that the inspection fee be credited to



the next month in which a dealer has a sale subject to the inspection fee.

(5) The director shall deliver copies of the commission’s order establishing the modular unit inspection fee for the fiscal year to all existing registered dealers no later than July 15 of each fiscal year. The director shall also deliver a copy of the commission’s order establishing the fee with each approved certificate of dealer registration.

*AUTHORITY: sections 700.040 and 700.115, RSMo Supp. 1999. * Original rule filed Sept. 5, 2000, effective April 30, 2001.*

**Original authority: 700.040, RSMo 1973, amended 1976, 1978, 1982, 1984, 1989, 1993, 1995, 1999; 700.115, RSMo 1976, amended 1978, 1982, 1984, 1995.*

4 CSR 240-123.080 Code for Modular Units

PURPOSE: This rule establishes the code for modular units which entered the first stage of production after July 1, 1976 which are rented, leased or sold or offered for rent, lease or sale in this state.

Editor’s Note: The secretary of state has determined that the publication of this rule in its entirety would be unduly cumbersome or expensive. The entire text of the rule has been filed with the secretary of state and is summarized here by the Public Service Commission. The entire text of the rule may be found at the headquarters of the commission and is available to any interested person at a cost established by state law.

(1) Any multiple units so designated as double wide, sectional or modular, shall comply with HUD standards and regulations as well as state regulations and standards as set forth for modular unit construction and carry the appropriate seal or data plate.

(2) All mobile units shall be built in accordance with the FHA Structural Engineering Bulletin and FHA Minimum Property standards and be eligible for long-term financing under section 203(b) of the National Housing Act, 12 USC 1701.

(3) The structure shall be manufactured in accordance with and meet the requirements of either subsection (3)(A) or (B) of this rule—

(A) BOCA National Building Code-1987; BOCA National Mechanical Code-1987; BOCA National Plumbing Code-1987; National Electrical Code NFPA—1987; and

(B) Uniform Building Code-1988; Uniform Mechanical Code-1988; Uniform Plumbing Code-1988; National Electric Code NFPA—1987.

(4) All modular units shall comply with the CABO Model Energy Code—1989).

AUTHORITY: section 700.010, RSMo 1986. Original rule filed Aug. 16, 1979, effective Dec. 15, 1979. Emergency amendment filed July 3, 1989, effective July 13, 1989, expired Nov. 9, 1989. Amended: Filed July 3, 1989, effective Nov. 1, 1989.

4 CSR 240-123.090 Complaints and Review of Director Action

PURPOSE: This rule provides for the manner in which complaints may be filed and the procedure by which commission review of the decisions, directives and interpretations of the director may be obtained.

(1) Any person aggrieved by a violation of this chapter or Chapter 700, RSMo (1986) as it relates to modular homes, may file a formal or informal complaint with the commission under 4 CSR 240-2.070.

(2) Commission review of the decisions, directives and interpretations of the director which relate to the code, this chapter or Chapter 700, RSMo (1986) as it relates to modular units, may be obtained by filing a written complaint, formal or informal, under 4 CSR 240-2.070. In such a complaint, the director shall be denominated as the respondent.

AUTHORITY: section 700.040, RSMo 1986. Original rule filed Aug. 16, 1979, effective Dec. 15, 1979.