

**FINAL
FISCAL NOTE**

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Prime Sponsor(s): Rep. Court
Sen. Kester

Bill Status: Signed into Law

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TITLE: CONCERNING REQUIREMENTS RELATED TO THE INSTALLATION OF MANUFACTURED HOMES.

Summary of Legislation

Under current law, applicants seeking to renew their registration as a manufactured home installer must provide proof of liability insurance and proof that they have completed 8 hours of education approved by the Division of Housing in the Department of Local Affairs. Prior to January 1, 2009, applicants had to provide proof of liability insurance and a letter of credit, certificate of deposit, or surety bond, but there was no requirement for continuing education. The bill reinstates the requirement that applicants provide a letter of credit, certificate of deposit, or surety bond at the time of applying for renewal, in addition to providing proof of insurance and continuing education.

The bill also gives the Division of Housing in the Department of Local Affairs the discretion to inspect the installation of a manufactured home if requested by the home's owner, installer, manufacturer, or retailer. Under current law, the division is required to conduct an inspection if requested.

The bill was signed by the Governor and became law on April 3, 2009.

Background. Factory built (modular) housing, commercial structures, and manufactured homes sold in the state must meet Colorado safety standards. The Division of Housing inspects these buildings to ensure the health and safety of residents who purchase the units. House Bill 08-1319 set forth new requirements for the training, testing, and certification of installers of manufactured structures.

Assessment

The bill is assessed as having no fiscal impact. It allows the division to decline an inspection when there is no evidence of a construction code violation. Under current law, the division is obligated to inspect installations based on complaints about cosmetic issues, even though those issues are not code issues and are not the division's to resolve. In FY 2007-08, the division conducted about 130 inspections of manufactured home installations. The cost for these inspections was paid by fees. Although the bill may reduce both revenue or expenditures of the Division of Housing in the Department of Local Affairs, the change is not expected to be significant.

Departments Contacted

Local Affairs