

1999 HOUSE TRANSPORTATION
HB 1405

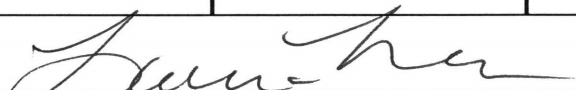
1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1405

House Transportation Committee

Conference Committee

Hearing Date February 11, 1999

Tape Number	Side A	Side B	Meter #
MACHINE ERROR			
Committee Clerk Signature 			

Minutes:

CHAIRMAN BERG OPENED THE HEARING ON HB 1405; A BILL RELATING TO APPLICATIONS FOR MOVING MANUFACTURED BUILDINGS AND MODULAR UNITS.

SENATOR REDLIN, Dist. 38, introduced HB 1405.

REP. REX BYERLY, Dist. 1, testified in support of HB 1405.

REP. THORPE asked what the problem is that brought up this bill.

REP. BYERLY responded that one problem is the electrical wiring not being safe on houses coming down from Canada.

REP. WILLIAM DEVLIN, Dist. 23, testified in support of HB 1405. He noted that the houses coming down from Canada don't work because they are not up to code. Our state can compete

with anyone. Canadians aren't good about stopping at borders and in order to haul houses on the roads across the border, they must have an electrical certificate.

REP. MEYER mentioned a modular home crossing line. What about something like this as being the only way to enter the state is to check in there.

DON OFFERDAHL, Executive Director, State Electrical Board testified in support of HB 1405. (See written testimony).

REP. MEYER questioned modular homes. When they hit the line to enter the state, don't they have to get a permit?

DON said that they inspect on passing, but they can't be all that thorough as to take the sheet rock off of the walls.

REP. LEMIEUX asked if they had talked with any Canadian firms about this problem.

DON said that several firms in Canada completely ignore our regulations. That is just the way that it is and has been.

CHAIRMAN KEISER asked what kind of violations are most often seen.

DON said that Canada has their own appliances and that is the main problem. We require three 30 watt amps where they require four 15 watt amps. This creates hazards and makes for oversize fuses for the capacity of the wire.

REP. LEMIEUX questioned mobile homes. Are they exempt from this?

DON said that they don't have any jurisdiction over mobile homes - those are covered under HUD.

REP. LEMIEUX further asked if mobile homes have to meet the same specifications of houses.

DON said yes.

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House Transportation Committee

Bill/Resolution Number Hb 1405

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REP. LEMIEUX then asked if we can bring in mobile homes with 15 watt amps but not houses?

DON said that the codes are different across the board as governed by federal or state government.

REP. LEMIEUX suggested that if we are going to establish standards, maybe we should include mobile homes and make them safer and better. A lot of people in North Dakota live in them.

DON said that they must abide by HUD.

REP. MICKELSON asked if they are going to give assurances. In other words, if we implement this law - are you comfortable with the questionable liability?

DON said yes.

CHAIRMAN KEISER asked who pays for improvements if the house is not ok.

DON said that the State Electrical Board does not get involved in that. It would be presumed that there would be something of a contract.

BILL DELMORE, Kelsch Law Firm, testified in opposition to HB 1405 on behalf of North Dakota Manufactured Housing. He said that they aren't in total opposition, rather it is a poorly worded bill. Canadian houses are a problem, but we have an agreement with Minnesota relating to this.

CHAIRMAN KEISER referred to Rep. Lemieux's question as to mobile homes. Are they included, or should they be?

BILL said that is not a safety hazard, but a matter of violation of code. The primary problem here is Canadian homes. He submitted some amendments.

REP. MEYER asked if it is the federal government's role to regulate between states and countries.

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House Transportation Committee
Bill/Resolution Number Hb 1405
Hearing Date February 4, 1999

BILL said that the order of commerce is what they must abide by. If you meet the HUD code, you meet code period.

REP. LEMIEUX asked if mobile homes are met under HUD?

BILL said yes.

CHAIRMAN KEISER CLOSED THE HEARING ON HB 1405.

COMMITTEE ACTION

REP. WEISZ moved to ADOPT THE AMENDMENTS proposed. REP. PRICE seconded the motion. The motion carried. A unanimous roll call vote was taken in favor of adopting the amendments.

REP. JENSEN moved a DO PASS AS AMENDED. REP. SVEEN seconded the motion. The motion carried.

ROLL CALL - 15 YEA, 0 NAE, 0 ABSENT AND NOT VOTING.

FLOOR ASSIGNMENT - REP. WEISZ

February 11, 1999

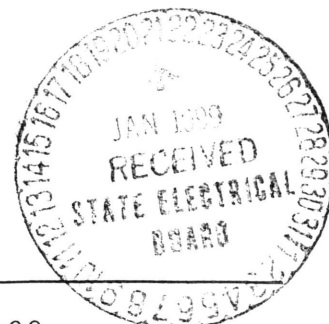
COMMITTEE ACTION

REP. WEISZ moved to RECONSIDER HB 1405. REP. MAHONEY seconded the motion. The motion failed.

ROLL CALL - 0 YEA, 14 NAE, 1 ABSENT AND NOT VOTING.

GENERAL DISCUSSION TOOK PLACE.

FISCAL NOTE



(Return original and 10 copies)

Bill/Resolution No.: HB 1405 Amendment to: _____

Requested by Legislative Council Date of Request: 1-20-99

- Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

Narrative:

- State** fiscal effect in dollar amounts:

	1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
	General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds
Revenues:	-0-	-0-	-0-	-0-	-0-	-0-
Expenditures:	-0-	-0-	-0-	-0-	-0-	-0-

- What, if any, is the effect of this measure on the appropriation for your agency or department:

- For rest of 1997-99 biennium: NONE
- For the 1999-2001 biennium: NONE
- For the 2001-03 biennium: NONE

- County, City, and School District** fiscal effect in dollar amounts:

1997-99 Biennium			1999-2001 Biennium			2001-03 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-

If additional space is needed, attach a supplemental sheet.

Signed Donald Offerdahl

Typed Name DONALD OFFERDAHL

Department ND STATE ELECTRICAL BOARD

Phone Number 328-9522

Date Prepared: 1/21/99

VK
2/11/99

House

AMENDMENTS TO HOUSE BILL NO. 1405 **HTRN 2/11/99**

Page 1, line 24, replace "wiring" with "statement by the manufacturer that the new manufactured building or modular unit meets all applicable building codes"

Page 2, remove lines 1 and 2

Page 2, line 3, remove "43-09"

Renumber accordingly

Date: 2/4
Roll Call Vote #: 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1415

House Transportation Committee

- Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken adopt am.

Motion Made By Rep Weisz Seconded By Rep Price

Representatives	Yes	No	Representatives	Yes	No
Representative Keiser, Chair			Representative Thorpe		
Representative Mickelson, V. Ch.					
Representative Belter					
Representative Jensen					
Representative Kelsch					
Representative Kempenich					
Representative Price					
Representative Sveen					
Representative Weisz					
Representative Grumbo					
Representative Lemieux					
Representative Mahoney					
Representative Meyer					
Representative Schmidt					

Total (Yes) 15 No 0

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 2/4
Roll Call Vote #: 2

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

House Transportation Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken DO PASS AS AMENDED

Motion Made By Rep Jensen Seconded By Rep Sreen

Representatives	Yes	No	Representatives	Yes	No
Representative Keiser, Chair	✓		Representative Thorpe	✓	
Representative Mickelson, V. Ch.	✓				
Representative Belter	✓				
Representative Jensen	✓				
Representative Kelsch	✓				
Representative Kempenich	✓				
Representative Price	✓				
Representative Sveen	✓				
Representative Weisz	✓				
Representative Grumbo	✓				
Representative Lemieux	✓				
Representative Mahoney	✓				
Representative Meyer	✓				
Representative Schmidt	✓				

Total (Yes) 15 No 0

Absent _____

Floor Assignment Rep Weisz

If the vote is on an amendment, briefly indicate intent:

Date: 2/11
Roll Call Vote #: 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1405

House Transportation Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Reconsider

Motion Made By Rep Weisz Seconded By Rep Mahoney

Representatives	Yes	No	Representatives	Yes	No
Representative Keiser, Chair			Representative Thorpe		
Representative Mickelson, V. Ch.					
Representative Belter					
Representative Jensen					
Representative Kelsch					
Representative Kempenich					
Representative Price					
Representative Sveen					
Representative Weisz					
Representative Grumbo					
Representative Lemieux					
Representative Mahoney					
Representative Meyer					
Representative Schmidt					

Total (Yes) 0 No 14

Absent 1

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1405: Transportation Committee (Rep. Keiser, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (15 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1405 was placed on the Sixth order on the calendar.

Page 1, line 24, replace "wiring" with "statement by the manufacturer that the new manufactured building or modular unit meets all applicable building codes"

Page 2, remove lines 1 and 2

Page 2, line 3, remove "43-09"

Renumber accordingly

1999 SENATE TRANSPORTATION

HB 1405

1999 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1405

Senate Transportation Committee

Conference Committee

Hearing Date March 12, 1999

Tape Number	Side A	Side B	Meter #
1	x		1-End
1		x	1-745
March 19, 1999	x		700-1210
Committee Clerk Signature <i>Roni A. Schaeffer</i>			

Minutes:

SENATOR B. STENEHJEM opened the hearing on HB 1405. Committee members present included: Sens. Bob Stenehjem, R. Schobinger, D. Mutch, D. Cook, D. O'Connell, V. Thompson, and D. Bercier.

REPRESENTATIVE BILL DEVLIN, DISTRICT 23 testified in support of HB 1405 (see testimony). The amendment added in the House would still leave problems. There was some confusion on the House side about what could be done.

SENATOR COOK You're suggesting that the House amendments be taken off.

REPRESENTATIVE DEVLIN Yes, Mr. Offerdahl will propose some other amendments.

SENATOR B. STENEHJEM The problem we have is that someone is bringing a modular or mobile home here and it doesn't meet building codes.

REPRESENTATIVE DEVLIN It doesn't meet state electrical codes. They are constant throughout the state. Some of those coming down from Canada are not okay.

SENATOR B. STENEHJEM Do we not have a state wide electrical code?

REPRESENTATIVE DEVLIN Yes. All of the houses built in ND meet the state wiring code. We know they are up to code because they are inspected.

SENATOR BERCIER When you try to insure the house, there is an inspection that is done so there is also an insurance problem also.

SENATOR ROLLAND REDLIN, DISTRICT 38 testified in support of HB 1405. I hope we can make sure every single structure is approved. There is merit to it.

SENATOR O'CONNELL I want to go on record in support of this bill.

DON OFFERDAHL, ND STATE ELECTRICAL BOARD testified in opposition on HB 1405 as it was originally introduced (see testimony and proposed amendments).

SENATOR SCHOBINGER What is the problem as long as it is up to code before the electricity is turned on? Why not put a notice on the moving permit that these houses have to be up to code?

DON OFFERDAHL That is an option. It still doesn't help the burden. We are there for safety violations; we aren't involved in the business end of it or how much they charge. There is no insurance with Canadian or "out of state" homes that the manufacturer will foot the bill if the home doesn't meet the electrical code.

SENATOR BERCIER The problem I see with the amendment is that it is stating that the wiring certificate issued by the state electrical board, it means that you are going to have to be called to the border every time a home is moved across. You have to inspect the building. Would a

certification from the company saying they built the home to comply with all of the electrical codes in ND be sufficient and if they were out of compliance nail them with some kind of regulation, would that work? How would you offer this wiring certificate without going to the border to visually inspect it?

DON OFFERDAHL Right now, we go out and issue the certificate before in comes over into North Dakota. With our liability issue, we are changing our rules so that we would do rocket inspection before. That would alleviate some of the problems we're having when someone is occupying that house and things aren't right and we have to go in and change it.

SENATOR BERCIER Of 40 homes, how many did you have problems with?

DON OFFERDAHL I have a list of the problems and how long it took to rectify them. I'll give it to you.

SENATOR B. STENEHJEM How many wiring permits would you give out?

DON OFFERDAHL Roughly around 10,000 to 12,000 a year.

SENATOR B. STENEHJEM Of those 12,000, what percentage need to make minor corrections. Do you issue wiring permits to the city?

DON OFFERDAHL Only half in the rural areas have the State Electrical Board inspector do the inspection. The cities have their own correction procedures.

SENATOR B. STENEHJEM Do you issue a wiring permit for city structures when the city has its own building inspection department?

DON OFFERDAHL The wiring certificate goes out to the matched electricians that are insured, they fill out the certificate or permit and he submits it to the city. The city takes their copy and

adds their local permits on to it. It is inspected and then the city turns the certificate over to our department to be filed.

SENATOR B. STENEHJEM We're having the problem in this bill when someone is buying a building to put on a piece of rural property where there is no building inspection.

DON OFFERDAHL There are some cities that don't allow you to do the wiring.

SENATOR B. STENEHJEM You're only concerned about the wiring; you don't care about the rest of the structure. Is that why you don't like the amendments?

DON OFFERDAHL When this bill was first introduced, we looked at all of the structures. But in a rural area where there is no building permit or plumbing permit, how can we require someone to provide a permit and they can't obtain one? Don't change the law unless there is a problem. Is there a problem in the rural building for the building code, plumbing and mechanical? I'm not aware of it, but we can prove there are problems in the electrical.

SENATOR B. STENEHJEM In this bill, you're only trying to relate to units moved into ND.

DON OFFERDAHL All units moved in the state.

SENATOR B. STENEHJEM Do power companies require a wiring certificate before the homes can be hooked up to the electricity?

DON OFFERDAHL The law requires them to but some don't. If there is a yard pole out there from 1950 that still has power and a house is moved in and hooked up to it, the electric company is not aware that they need to upgrade their service.

SENATOR B. STENEHJEM Wouldn't it be simple for DOT to notify you if a house is being moved into the state?

DON OFFERDAHL Where would they draw a line between a mobile home that is not our concern and a manufactured home that is? This may be a liability issue; some may say the electrical board has the responsibility to check on all moving buildings.

SENATOR B. STENEHJEM Do you not have a liability to the state for the farmer who hooks up to the old power line?

DON OFFERDAHL What risk managers and our Attorney General indicated is that when you don't know about it you don't have liability. Once you know and don't do anything about it then you have full liability.

SENATOR B. STENEHJEM Are you taking steps presently to make sure that doesn't happen?

DON OFFERDAHL Yes.

SENATOR THOMPSON Would it be fair to say that someone moving a house closer to a light pole may not be publicly known but when a house crosses the U.S. border there is some reporting of that.

DON OFFERDAHL Yes there is some reporting but we are never told. If the Border Patrol would offer that assistance that would help.

SENATOR COOK Are these homes of concern sold by a local or state dealer in ND? Do some of them come first to a dealer's location where they may sit and then be transferred to their final destination?

DON OFFERDAHL Half and half. The consumer is upset because it delays them from getting into the house.

SENATOR BERCIER I like the amendment in there now because we have a larger issue than just the electrical. This other amendment is much more narrow.

SENATOR B. STENEHJEM Right now, any structure that is hooked up to power needs to have an electrical certificate. Right now, every structure that is built, you operate on a good faith effort of the contractor that is building the structure that he will meet all of the building codes. Simply by telling them that they have a wiring certificate will not guarantee that they have decent wiring. You will still have to go out and inspect them. All you are interested in is to know where these things will be moved in and where they will sit. I don't see what this really does for you.

DON OFFERDAHL Before it comes into the state, it gets us to look at that structure but the way it is now the burden falls on the owner.

SENATOR B. STENEHJEM Today, if I bought a modular home and it came down here from Canada and you came out to inspect it and it didn't meet the wiring code, are you saying I, as a home owner, am going to have to pay to bring it up to code?

DON OFFERDAHL We contact the manufacturer first and have him address it. In one instance from Canada, they said that's your problem. They hired the electrician to fix it but wouldn't pay the bill.

SENATOR B. STENEHJEM As a local builder, you guys come out to inspect it and it doesn't meet code then you guys will take care of the bill.

DON OFFERDAHL We don't get involved in the business arrangement. We just have to make sure they meet the codes. In my case, when I worked for Homes Electric, I was set out to wire a house to minimum standards and if it didn't meet code I went back on my own time and took care of it. That was the policy with the firms I worked for.

SENATOR MUTCH What is the charge to the inspection?

DON OFFERDAHL \$60

SENATOR MUTCH Can Canada require certification before they come down?

DON OFFERDAHL They have different wiring standards. There are some appliances made in U.S. that take more power than those in Canada.

SENATOR O'CONNELL What would that cost a guy?

DON OFFERDAHL That was one of the first houses that Beaver Lumber brought in and they didn't do any changes. No smoke detectors, electrical panels in bathrooms that have been proved to cause fires over the years.

SENATOR B. STENEHJEM Did they have a state electrical permit?

DON OFFERDAHL No. The electrician issued a permit for the portion he did. We had to notify the Canadian firm that a permit was required on their electrical work.

BILL DELMORE, ASSOCIATION OF MANUFACTURED HOUSING testified in support of the bill as received from the House. There are problems with the bill originally and we have problems with the amendments. The primary concern is Canadian homes coming in and the amendment they put in is more extensive than the original bill. It requires that a home manufacturing company would have to certify that they meet all applicable building codes. The homes still have to have the inspection here once they are set up and you can't do much about the ones that you don't know at all. This bill will stop the bad Canadian homes because that company will have to put themselves on the line and say we need the applicable building codes in the U.S. We don't believe most of those companies that have been sending these homes with the problems will do that. We support the bill as you received it right now but would have problems if you amended back to original bill.

SENATOR THOMPSON How would this be different internationally then a foreign car dealer who has to meet national standards to sell a car in the United States?

BILL DELMORE This bill puts liability back on the manufacturers. More importantly, we have to have the certification with the house and if it is not there any authority can stop it and say you don't have the appropriate moving authority to even move this home.

SENATOR COOK Are most of these homes paid for 100% up front?

BILL DELMORE That varies.

SENATOR COOK My experience with buying anything new is that usually you pay so much up front and the last payment isn't made until everything is complete and meets all specifications. I would assume that is how I would be paying for it. The bill, as introduced, would allow me to pay the last \$5,000 to a local attorney or electrician to fix it if it doesn't meet code. I don't make the last payment and the burden is on them to sue me and I have all of the proof that it didn't meet code.

BILL DELMORE That is clear and with this bill before you it doesn't just stop at wiring.

DOYLE SCHULTZ, ND HIGHWAY PATROL testified on HB 1405. Our involvement with this bill is in the fact that they want to use our permit system. When we were initially approached on this bill we approached with the problem that Canadian homes were coming into ND wired with Canadian standards but they did not meet ND standards and our people were required to pay an additional cost to update their wiring. Our position was the electrical board's problem not ours and they need to deal with that. In the initial bill that came out, it was placed under 39-12-02 which has to deal with our size, height, and width restrictions on the highway. Our objection is that we felt it should not be in that section because by putting the electrical

requirements in there it confused the bill and added more to it. Under 39-12-02 our people use this section every day and by adding more to this section it would add more language to sort through. We requested that they move it to Chapter 43 which is the electrical code chapter and they agreed. As far as the basic bill, we are neutral. As far as the amendment that would move it, we would recommend that it be moved out of Chapter 39-12-02 into Chapter 43-09-22 which is the electrical code. We would be happy to work with the State Electrical Board.

SENATOR B. STENEHJEM You'd have no problem with giving a list of modular homes.

DOYLE SCHULTZ No.

ALBERT WOLF, ND STATE ELECTRICAL BOARD testified for HB 1405. We oppose the bill as it is and we should return the bill to its original form. In Chapter 54.21.03 is the state building code and Subsection 4 is the caption exemptions. The following are exempt from the state building codes: state electrical wiring, state plumbing, and state fire codes. We are not part of the state building codes. We introduced the bill and they amended us out completely so we are not even covered by the bill. This would give the opposite affect of what we are trying to achieve. We are trying to achieve a stronger enforcement of the electrical code because we are responsible for the electrical code. We're here to minimize the concerns from the consumers on electrical matters. If we let this bill pass excluding us completely we would open ourselves to lawsuits. Some places refuse to accommodate us and to deal with this we should require that the dealers that sell should be required to certify. The problem is there are still homes that are being bought and shipped directly without going to the dealer. The problem with the present law is that there is no method of enforcement. Those that are built in ND and are being moved are not a problem.

SENATOR SCHOBINGER Under the original bill, do we have a right to turn someone back?

ALBERT WOLF Under the original bill, without a certificate from the company, the house won't even leave the factory.

SENATOR SCHOBINGER We automatically assume the home will be hooked up to electricity. Isn't there a constitutional question dealing with interstate commerce because we can't require someone to hook it up to electricity therefore we can't government that they can't come in here?

ALBERT WOLF We explored many questions. We don't want to deceive people that are buying, but there is no enforcement process. We drafted two versions of the bill and Legislative Council decided to put it in the Highway Patrol part of the code.

SENATOR SCHOBINGER Simply because I'm moving something doesn't mean I am going to hook it up to some kind of electricity and I'm not required to do that. This requires me to have a wiring certificate just to move it. Would I have a case in court to say your violating my rights to interstate commerce because you're not allowing me to bring this into ND?

ALBERT WOLF We carefully drafted this bill. If we are going to legislate for people who are going to bring \$50,000 buildings down here to sit on the border that are not going to be energized with electricity maybe we should put an amendment in there to excuse those kind of people but I don't think we should do that.

SENATOR B. STENEHJEM What if a manufacturer wants to bring a home in and set it on their lot and they want to sell it in Montana? Why should they have a ND wiring certificate if it will be in Montana?

ALBERT WOLF If that were the case, they could have themselves exempt.

SENATOR B. STENEHJEM You also made a statement about the Canadian manufacturers and you want to have someone there to make sure the wiring is being done right. Are you going to send someone up there to Canada to look at these homes?

ALBERT WOLF There are many arrangements that have been made.

SENATOR COOK You are concerned about the state being sued by the way the bill is now. How is the state more liable with the engrossed bill?

ALBERT WOLF Because we know manufacturers that are building will say they are building in accordance with ND and we have no proof and no authority to go back and sue them if they don't.

SENATOR B. STENEHJEM We will close HB 1405.

March 19, 1999

SENATOR COOK I have in my notes that Doyle Schultz made reference to moving this to Section 43-09-22.

SENATOR B. STENEHJEM He wanted it out of the 39 code and into the building code.

SENATOR COOK I motion to move it to 43-09-22.

SENATOR THOMPSON I second.

The amendment passed by a unanimous voice vote.

There was committee discussion.

SENATOR B. STENEHJEM If this is put on the bill then if there are two or three complaints about those companies, it will be taken to the consumer fraud division and will not be allowed to do business in ND.

SENATOR THOMPSON Are you referring to the amendments from the ND State Electrical Board that they are not needed?

SENATOR B. STENEHJEM Yes. (There was more discussion.)

SENATOR THOMPSON Does the Attorney General's office have the authority to go after companies in Canada?

SENATOR B. STENEHJEM I don't know. (More discussion)

SENATOR COOK The big benefit this bill gives as it is now is that most people don't pay 100% cash up front. This gives the person the legal authority not to make the final payment if it doesn't meet building codes. They will be able to pay for those corrections and it puts the burden of getting that money on the out-of-state or Canadian firm to come down and get it and they will not get it.

SENATOR B. STENEHJEM Yes. (He gave an example.)

MARCH 23, 1999

Proposed amendments 90777.0401 were handed out.

SENATOR B. STENEHJEM This simply says they must provide a certificate that says they meet applicable wiring and equipment and funding and fire standards.

SENATOR THOMPSON Does that mean that the State Electrical Board wouldn't be liable? Are they considered part of the state in this instance?

SENATOR B. STENEHJEM The Electrical Board wouldn't be any more liable just because of that certification then if they had a wiring certificate. The only opposition to the bill was the Canadian homes coming in that we were supposed to take the responsibility for the wiring.

SENATOR B. STENEHJEM Yes, but we want to make sure they met our building codes as well.

SENATOR O'CONNELL This home may not even stay in the state and with the amendment it would still have to meet our codes within the state. It isn't applicable until it is located in our state but is it located once it is on the lot for sale.

BILL DELMORE It is applicable if it stops in North Dakota and they are going to put it here not if it passes through.

SENATOR B. STENEHJEM If I decided that home is going in Golden Valley, ND, it would have to meet the applicable codes for whatever the codes are in Golden Valley.

There was committee discussion.

SENATOR COOK This statement that it meets all of the applicable building codes should get into the hands of the new home owner or that the new home owner understands that such a statement does exist.

There was committee discussion.

SENATOR COOK I move to adopt amendment 90777.0401.

SENATOR THOMPSON I second.

The amendment unanimously by a voice vote.

SENATOR COOK I move a Do Pass as Amended.

SENATOR O'CONNELL I second.

The roll call vote was taken (6 Yeas, 0 Nays and 1 Absent and Not Voting).

Senator Cook will carry HB 1405.

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1405

Page 1, line 24, after "a" insert "wiring certificate issued by the State Electrical Board and a"

Page 2, line 2, after "applicable" insert "electrical and"

Renumber accordingly

AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1405

Page 1, line 1 remove "39-12-02" and insert "43-09-22 and 54-21.3-03"

Page 1, line 2, remove "relating to applications for moving" and insert

"requiring wiring certificates to accompany applications"

Page 1, line 4 remove "39-12-02" and insert "43-09-22"

Page 1, remove lines 6 through 24, and insert:

**"43-09-22. Inspection of installation --
Condemnation.** -- The board has jurisdiction over and shall provide inspection for all electrical installations. Inspectors authorized by the board may condemn installations hazardous to life and property or may order specific corrections to be made. Inspectors may order service thereto discontinued after notice to the owner of the property. The order is subject to the owner's right of appeal to the board. No condemned installation may be reconnected for service until proof has been furnished that the installation has been brought up to the required standards. The board may charge the master electrician responsible for the installation a fee to cover the cost of inspection. Cities may make provisions for inspection of all electrical work done within their corporate limits. City inspectors shall register their names with the board within ten days after their appointment. Before a new manufactured building or modular unit can be moved within the state of North Dakota to be located for occupancy anywhere within the state, the application for such move made under subsection 1 of Section 39-12-02, NDCC, shall be accompanied by a certificate issued by the board affirming that the electrical installations in the unit to be moved have been made in accordance

with this section. Buildings or units covered by the Code of Federal Regulations, Title 24, sections 3280.80 through 3280.816 are excepted from this requirement. Payments for board certificates shall be refunded upon showing that the unit certified will not be energized or located for occupancy anywhere in the state."

Page 2, remove lines 1 through 17.

Renumber accordingly

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1405

Page 2, line 2, after "codes" insert "and all applicable electrical wiring and equipment, plumbing, and fire standards. The state is not liable to any person for issuing a permit in violation of this subsection"

Renumber accordingly

Date: March 23, 1999

Roll Call Vote #: 1

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 12105

Senate Transportation Committee

Subcommittee on _____

or

Conference Committee

Legislative Council Amendment Number 90777.0401

Action Taken No Pass as Amended

Motion Made By Sen. Cook Seconded By Sen. O'Connell

Senators	Yes	No	Senators	Yes	No
Sen. B. Stenehjem-Chairman	✓				
Sen. R. Schobinger-V. Chair	✓				
Sen. Duane Mutch	✓				
Sen. Dwight Cook	✓				
Sen. David O'Connell	✓				
Sen. Vern Thompson	✓				
Sen. Dennis Bercier					

Total (Yes) 6 No 0

Absent 1

Floor Assignment Senator Cook

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1405, as engrossed: Transportation Committee (Sen. B. Stenehjem, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1405 was placed on the Sixth order on the calendar.

Page 2, line 2, after "codes" insert "and all applicable electrical wiring and equipment, plumbing, and fire standards. The state is not liable to any person for issuing a permit in violation of this subsection"

Renumber accordingly

1999 HOUSE TRANSPORTATION

HB 1405

CONFERENCE COMMITTEE

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1405

House Transportation Committee

Conference Committee

Hearing Date April 2, 1999

Tape Number	Side A	Side B	Meter #
1	x		0-15.0
1 (April 5, 1999)	x		0-20.0
2 (April 8, 1999)	x		0-20.0
Committee Clerk Signature <i>Jamachen</i>			

Minutes:

CHAIRMAN SVEEN OPENED THE HEARING ON HB 1405; A BILL RELATING TO APPLICATIONS FOR MOVING MANUFACTURED BUILDING AND MODULAR UNITS. REPRESENTATIVES WEISZ, GRUMBO; SENATORS STENEHJEM, SCHOBINGER, AND O'CONNELL were present as members of the Conference Committee.

CHAIRMAN SVEEN asked the Senate to explain their amendments.

SEN. STENEHJEM explained the amendment. He asked what the House concerns were on the bill.

CHAIRMAN SVEEN said that he was unsure why the House objected.

REP. WEISZ said that the language of the Senate amendment was identical to what he had offered in committee. He wanted to get it passed and he thought that it made some direction by

expanding the language but still stopping short of the actual certificate. This makes it so it must meet the codes, but it doesn't have to be inspected prior to being in the state.

SEN. STENEHJEM said that it was their intent as well, they wanted it to meet all of the codes.

JO ZSCHLOMLER, OMB, noted that the legislative intent was to include the certification. It protects the liability for the board should there be a suit.

SEN. STENEHJEM said that this does not include a certificate until such time that it has to be hooked up. When it is set up, then they need the certificate. Until then, it will be killed in the Senate.

REP. WEISZ said that he had no problem requiring certification once it was within the state of North Dakota, but just to get it into the state, he would resist that. If that was how it would have been, it surely would have died in committee. He had a concern about the liability.

REP. GRUMBO said that he agreed that once the home is in the state, then we need to worry, but to move it around shouldn't cause problems.

SEN. STENEHJEM asked what protection North Dakota residents have when ordering a home. They already have the power to go out and do this, right?

REP. WEISZ noted that under current law, where does the board take on liability? If it is inspected and doesn't meet code, what happens next?

JO said that if it is an out of state manufacturer, they will look at all possibilities to sue - one will be the electrical board. The board is concerned with a practical way to address the issue.

SEN. STENEHJEM said that currently they can't hook up to power without a wiring certificate anyway, but it probably does happen.

REP. WEISZ said that the Board has to do it, and if they don't they should assume liability.

Page 3

House Transportation Committee

Bill/Resolution Number Cc 1405

Hearing Date April 2, 1999

REP. SVEEN asked if they can go check houses in Canada.

SEN. STENEHJEM said they can go watch them build and advise them as what to do.

REP. WEISZ moved to accede to the Senate amendments.

SEN. STENEHJEM intervened and brought up the concern of meeting all building codes.

REP. WEISZ said that as he understood it, they didn't need to have the certificate to simply move the house into the state.

SEN. STENEHJEM offered language to alleviate the latter.

REP. GRUMBO noted that definitely the consumer is the one to protect in getting the house set up. Getting it into the state and around is not the problem, but setting it down causes trouble.

REP. WEISZ asked if they are saying that they never need certification.

SEN. STENEHJEM said they would not need certification for the transfer, but more for the setting up.

REP. WEISZ said that he didn't want any other problems created. He had no problem with the amendment, but maybe they could fix the language.

SEN. STENEHJEM offered to draft amendments and bring them back.

CHAIRMAN SVEEN CLOSED THE HEARING ON HB 1405.

April 5, 1999

REP. WEISZ suggested an amendment to the bill stating that the manufacturer must furnish a certificate before the services can be hooked up. The unit can be in North Dakota but the manufacturer would be responsible for the actual certification before setting it up.

SEN. STENEHJEM said that the person who manufactures the home should be responsible, the only difference is that they have to get certification.

REP. WEISZ said that he assumed that the Attorney General can get involved in a hurry with the manufacturer if they don't provide the certificate. This somewhat levels the playing field by not leaving it all on the manufacturer.

SEN. STENEHJEM asked about taking the highway patrol out of the picture. This does that, correct?

REPS. WEISZ AND SVEEN both said yes.

SEN. STENEHJEM asked to add to the amendment that the actual movement of a modular unit does not require the certification.

SEN. O'CONNELL asked Don if it fits into what they were asking.

DON OFFERDAHL, State Electrical Board, _____

SEN. STENEHJEM said that now with this amendment that they were discussing, the manufacturer would still be responsible to fix what is not certified. They still have that avenue of recourse.

SEN. SCHOBINGER said if the unit is in Canada, how do they go about getting it certified?

DON said that they either work with the electrician or comply with our office. We now have about five different firms that can inspect and do this.

SEN. SCHOBINGER questioned the cost of this.

DON said for a three bedroom house, it is \$60. That accounts for the time for the electrician and the inspector to look at it.

REP. SVEEN asked if they go inspect in Canada?

DON said yes.

REP. SVEEN asked if they attest to the safety in Canada before bringing it into the states?

SEN. STENEHJEM related a story of a friend who bought a house at the State Fair and was told it was all in the contract. When it was inspected, there were no problems. The plan is to get the Highway Patrol out of the picture.

REP. SVEEN asked if there was a logical way to certify the units before bringing them in. Where then would the Highway Patrol fit in?

SEN. STENEHJEM said that if they try to come in without the certification and they are turned away at the border by the Highway Patrol, the Highway Patrol is blamed for it.

REP. WEISZ said that if we just write the amendment and they don't comply, then what? The state has the same amount of recourse. I would hate to throw the burden on the Highway Patrol that maybe doesn't work. If we just added certification to it, that gives the Attorney General and the state proper recourse.

SEN. O'CONNELL asked if that applies to all of the codes. The townships aren't zoned for it.

DOREEN MELHOFF, Townships, said that Rich Grey is the person to talk to about the codes. It could get complicated.

SEN. STENEHJEM said that we don't even need a bill in that case, it is already in the building codes. We just have to emphasize this so that we can get the Attorney General's Office involved.

REP. WEISZ said that he agreed.

REP. SVEEN closed the hearing on HB 1405.

SEN. STENEHJEM moved that the Senate recede from their amendments and further amend the bill. The intent of the amendment would be to make the manufacturer responsible to get the certificate at the time of hook up. Movement in and around the state would not require certification. REP. WEISZ seconded the motion. The motion carried.

Page 6
House Transportation Committee
Bill/Resolution Number Cc 1405
Hearing Date April 2, 1999

ROLL CALL - 6 YEA, 0 NAE, 0 ABSENT AND NOT VOTING.

FLOOR ASSIGNMENT - REP. WEISZ

April 8, 1999

GENERAL DISCUSSION TOOK PLACE; SENS. O'CONNELL, THOMPSON, STENEHJEM;
REPS. GRUMBO, SVEEN, AND WEISZ PARTICIPATED.

April 9, 1999

The conference committee met and approved the Legislative Council Amendment 90777.0406.

SENATOR BOB. STENEHJEM stated for the record the following:

I want it understood that by instituting this, each structure in the state moved needs to have a wiring certificate as required by law. This is in no way intended to imply that they need more than one wiring certificate.

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1405

That the Senate recede from its amendments as printed on pages 1038 and 1039 of the House Journal and page 886 of the Senate Journal and that Engrossed House Bill No. 1405 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to amend and reenact section 43-09-21 of the North Dakota Century Code, relating to electrical wiring certificates for manufactured buildings or modular units.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 43-09-21 of the North Dakota Century Code is amended and reenacted as follows:

43-09-21. Standards for electrical wiring and equipment.

1. All electrical wiring, apparatus, or equipment ~~shall~~ must comply with the rules of the board made under authority of the laws of this state and in conformity with the approved methods of construction for safety to life and property. The regulations ~~laid down~~ in the national electrical code and the national electrical safety code as approved by the American national standards institute ~~shall be~~ are prima facie evidence of ~~such~~ these approved methods. Any municipality may make more stringent requirements. ~~No~~ An electrical installation ~~shall~~ may not be connected for use until proof has been furnished to the person, firm, corporation, or limited liability company supplying electrical energy that ~~such there is compliance with the applicable regulations have been complied with.~~
2. Before an electrical installation is connected for use, the manufacturer of a new manufactured building or modular unit shall provide proof of compliance with applicable regulation through an electrical wiring certificate and shall make any changes to the building or unit required for the issuance of the certificate. This subsection does not apply to the movement of a building or unit into or within this state before the process of being connected for use."

Renumber accordingly

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1405

That the House accede to the Senate amendments as printed on pages 1038 and 1039 of the House Journal and page 886 of the Senate Journal and that Engrossed House Bill No. 1405 be further amended as follows:

Page 1, line 1, replace "section" with "sections" and after "39-12-02" insert "and 43-09-21"

Page 1, line 2, after "moving" insert "and electrical certificates for"

Page 2, after line 17, insert:

"SECTION 2. AMENDMENT. Section 43-09-21 of the North Dakota Century Code is amended and reenacted as follows:

43-09-21. Standards for electrical wiring and equipment. All electrical wiring, apparatus, or equipment ~~shall~~ must comply with the rules of the board made under authority of the laws of this state and in conformity with the approved methods of construction for safety to life and property. The regulations ~~laid down~~ in the national electrical code and the national electrical safety code as approved by the American national standards institute ~~shall be~~ are prima facie evidence of ~~such~~ these approved methods. Any municipality may make more stringent requirements. ~~No~~ An electrical installation ~~shall~~ may not be connected for use until proof has been furnished to the person, firm, corporation, or limited liability company supplying electrical energy that ~~such there is compliance with the applicable regulations have been complied with.~~ The manufacturer of a new manufactured building or modular unit shall make any changes required for the proof within fourteen days from the notice that the building or unit does not comply with the applicable regulations. This section does not apply to the movement of a new manufactured building or modular unit into or within this state before the process of being connected for use."

Renumber accordingly

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1405

That the House accede to the Senate amendments as printed on pages 1038 and 1039 of the House Journal and page 886 of the Senate Journal and that Engrossed House Bill No. 1405 be further amended as follows:

Page 1, line 1, replace "section" with "sections" and after "39-12-02" insert "and 43-09-21"

Page 1, line 2, after "moving" insert "and electrical certificates for"

Page 1, line 23, replace "The" with "Upon any" and after "unit" insert "from outside this state"

Page 1, line 24, replace "must be accompanied by a statement by" with an underscored comma

Page 2, line 1, after "manufacturer" insert "is deemed to have certified"

Page 2, after line 17, insert:

"SECTION 2. AMENDMENT. Section 43-09-21 of the North Dakota Century Code is amended and reenacted as follows:

43-09-21. Standards for electrical wiring and equipment. All electrical wiring, apparatus, or equipment ~~shall~~ must comply with the rules of the board made under authority of the laws of this state and in conformity with the approved methods of construction for safety to life and property. The regulations ~~laid down~~ in the national electrical code and the national electrical safety code as approved by the American national standards institute ~~shall be~~ are prima facie evidence of ~~such~~ these approved methods. Any municipality may make more stringent requirements. ~~No~~ An electrical installation ~~shall~~ may not be connected for use until proof has been furnished to the person, firm, corporation, or limited liability company supplying electrical energy that ~~such~~ there is compliance with the applicable regulations have been complied with. The manufacturer of a new manufactured building or modular unit shall make any changes required for the proof within fourteen days from the notice that the building or unit does not comply with the applicable regulations. This section does not apply to the movement of a new manufactured building or modular unit into or within this state before the process of being connected for use."

Re-number accordingly

(Bill Number) 1405 (, as (re)engrossed):

Your Conference Committee

For the Senate:

	Poll Call 4/2 4/5		VOTE
Schobinger	X	X	Y
Stenejem	X	X	Y
O'Connell	X	X	Y

For the House:

	Poll Call 4/2 4/5		VOTE
Screen	X	X	X
Weisz	X	X	Y
Brumbo	X	X	Y

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)
723/724 725/726 S724/B726 S723/B725
 the (Senate/House) amendments on (SJ/HJ) page(s) _____ - _____

and place _____ on the Seventh order.
727

, adopt (further) amendments as follows, and place
1405 on the Seventh order:

having been unable to agree, recommends that the committee be discharged
 and a new committee be appointed. 690/515

((Re)Engrossed) _____ was placed on the Seventh order of business on the calendar.

DATE: 4 15 1999

CARRIER: Rep Weisz

LC NO. _____ of amendment

LC NO. 9077 . 0400 of engrossment

Emergency clause added or deleted _____

Statement of purpose of amendment _____

(1) LC (2) LC (3) DESK (4) COMM.

1999 TESTIMONY

HB 1405

HOUSE BILL 1405

Chairman Keiser and other Committee Members:

I am Don Offerdahl the Executive Director of the North Dakota State Electrical Board.

I come before you today in support of HB 1405.

The intent of this bill will help solve problems we are having with factory and yard built buildings. These are not mobile homes or manufactured homes as they are defined in the National Electrical Code and those definitions I have enclosed. These houses are built to the Uniform Building Code and are required to meet the national and state electrical code.

Wiring certificates or permits are required to be issued to the North Dakota State Electrical Board before work commences so the inspection process can begin. With out-of-state buildings we request that this notification takes place before the building enters the state. We have worked with several out-of-state firms with some success. We are still finding houses that are moved in and the owners have already occupied the building with no notification to the North Dakota State Electrical Board.

Once the State Electrical Board discovers a building is not certified an inspector from the North Dakota State Electrical Board inspects the building to assure that it complies with national and state code. When code violations are found, a correction report is written to the manufacturer or builder of the structure giving him 30 days to correct the code violations.

In reviewing our records, it shows that this process in numerous occasions takes between 6 to 9 months leaving the structure in non-compliance.

The North Dakota State Electrical Board does not have any authority for out-of-state manufacturing firms. In essence this would make the manufacturing firm more responsible to the owner that the building they sold meets the national and state codes before the building enters the state and are transported on North Dakota highways.

I appreciate the opportunity to testify before you today. I urge a "Do Pass" to this bill so the owners of these buildings will have their buildings inspected for safety.

I will take any questions you may have at this time.

Manufactured Building. Any building that is of closed construction and is made or assembled in manufacturing facilities on or off the building site for installation, or assembly and installation on the building site, other than manufactured homes, mobile homes, park trailers, or recreational vehicles.

Manufactured Home. A factory-assembled structure or structures that bears a label identifying it as a manufactured home that is transportable in one or more sections, that is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation where connected to the required utilities, and that includes the plumbing, heating, air-conditioning, and electrical systems contained therein.

FPN No. 1: See the applicable building code for definition of the term *permanent foundation*.

FPN No. 2: See Part 3280, *Manufactured Home Construction and Safety Standards*, of the federal Department of Housing and Urban Development for additional information on the definition.

For the purpose of this *Code* and unless otherwise indicated, the term *mobile home* includes manufactured homes.

Mobile Home. A factory-assembled structure or structures transportable in one or more sections that is built on a permanent chassis and designed to be used as a dwelling without a permanent foundation where connected to the required utilities, and includes the plumbing, heating, air-conditioning, and electric systems contained therein.

For the purpose of this *Code* and unless otherwise indicated, the term *mobile home* includes manufactured homes.

Chairman Stenehjem and members of the Senate Transportation Committee.

I am Representative Bill Devlin from District 23 which includes all of Steele, Griggs, and Nelson counties along with parts of Walsh and Ramsey.

House Bill 1405 was introduced at the request of people in my district who have seen a problem develop with houses built in Canada.

Like all our great contractors in our state, they can compete with anyone when doing the same work.

What they are finding is that people buy and pay for the house, get it set on a foundation, and then some weeks or months later when the electrical inspection is done, they find they have to spend hundreds to thousands of dollars to bring it up to North Dakota Code.

To find a way to prevent that from happening is very tough. We did not want to put a bunch of excess new regulations on our builders, the buyers, or anyone.

We believe this bill offers a clear and legal way of doing it. It simply says that before you move a new home on our roads, you have a wiring certificate. It will just be one more piece of paper or permit they have to have.

Mr. Offerdahl of the State Electrical Board has indicated that a lot of towns and township do not adopt a building code or permit system. The plumbing law does not require an inspection if the house is connected to an independent well. This is very common in the rural area. This bill was intended to take care of problems that exist with the violation of the electrical wiring of a home which has a statewide permit and inspection system. The amendment that was added in the house would not guarantee that the home met electrical code before they entered the state. This still will leave the problems of financial burden with the home owner if a code violation is discovered later.

Whatever the case may be, the fact remains that something should be done and I hope we can do it here.

HOUSE BILL 1405

Chairman Stenehjem and other Committee Members:

I am Don Offerdahl the Executive Director of the North Dakota State Electrical Board.

I come before you today in support of HB 1405 as it was originally introduced with the following proposed amendments.

This bill was introduced to help solve problems the owners and Board are having with factory and yard built buildings. These are not mobile homes or manufactured homes as they are defined in the National Electrical Code and those definitions I have enclosed. These houses are built to the Uniform Building Code and are required to meet the national and state electrical code. North Dakota has these types of homes built in local lumberyards with little or no problems.

Wiring certificates or permits are required to be issued to the North Dakota State Electrical Board before work commences so the inspection process can begin. With out-of-state buildings we request that this notification takes place before the building enters the state. We have worked with several out-of-state firms with some success. We are still finding houses that are moved in and the owners have already occupied the building with no notification to the North Dakota State Electrical Board.

Once the State Electrical Board discovers a building is not certified, an inspector from the North Dakota State Electrical Board inspects the building to assure that it complies with national and state code. When code violations are found, a correction report is written to the manufacturer or builder of the structure giving him 30 days to correct the code violations.

In reviewing our records, it shows that this process in numerous occasions takes between 6 to 9 months, leaving the structure in non-compliance.

The North Dakota State Electrical Board does not have any authority for out-of-state manufacturing firms. In essence this would make the manufacturing firm more responsible to the owner that the building they sold meets the national and state codes before the building enters the state and are transported on North Dakota highways.

Our department considers this a consumer protection process that assures the owner that his new house or building will meet the minimum standards of the state and national electrical code. It is very important that the electrical code be in the language of the law on which amendments you decide to use.

I will take any questions you may have at this time.