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STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held at its office
in Jefferson City on the 1st
day of June, 2000.

In the Matter of a Proposed Amendment to)
Rule 4 CSR 240-123.080 - Code for)
Modular Units.)
 Case No. MX-2000-443

ORDER FINDING NECESSITY FOR RULEMAKING

On January 18, 2000, the Staff of the Missouri Public Service Commission (Staff) filed a motion opening a case to consider the necessity and adoption of a rule amendment to update code requirements to which modular units are to be built. On May 18, 2000, the Staff filed its Motion for Finding of Necessity for Rulemaking with a memorandum attached in support of its motion.

Staff proposes that an existing rule, 4 CSR 240-123.080, be amended to update the Public Service Commission's adopted codes for the manufacturing of modular units that are rented, leased or sold or offered for rent, lease or sale in Missouri. This proposal updates the current adopted codes to the most current editions available, and is necessary to bring Missouri code regulations in line with the modular unit industry.

Staff states that the current codes have been in place for over ten years.

Staff states that further additions will be made to the rule to include listing requirements for plan approvals to include information concerning Seismic Zones; requiring a data plate to be affixed to all

modular units rented, leased or sold in Missouri; and requiring that all modular units shall be set up or installed according to the manufacturer's installation manual.

Staff concludes that the rule amendments are necessary to assist the Commission's Manufactured Housing Department in determining whether modular units comply with state regulations. Staff further states that proposed rule amendments do not present a fiscal impact to the state of Missouri or on any private or public person or entity that would be affected by the proposal.

The Staff memorandum demonstrates that the proposed rule amendment is necessary to carry out the purpose of Section 700.040, RSMo Supp. 1999, and is based upon reasonably available empirical data. The Staff demonstrates the effectiveness and cost of the proposed rule to the state and to private or public persons or entities that will be affected by the rule. Specifically, the Staff demonstrates that the amendments will facilitate its inspections to assure that manufacturing of modular units that are offered for rent, lease or sale in the state of Missouri are compliant with current codes that are applicable to the modular units and to the modular unit industry.

Pursuant to Section 536.016, RSMo Supp. 1999, a state agency is required to find, based upon substantial evidence on the record, that a proposed rule is necessary to carry out the purposes of the statute that granted the rulemaking authority. Based on the record, the Commission finds that the proposed amendment to rule 4 CSR 240-123.080 - Code for

Modular Units, is necessary to carry out the purposes of Section 700.040, RSMo Supp. 1999.

IT IS THEREFORE ORDERED:

1. That the Staff of the Missouri Public Service Commission is directed to proceed with the necessary procedures of the Commission and applicable procedures of administrative rulemaking and may file a proposed rule in this case for the Commission's consideration.

2. That this order shall become effective on June 13, 2000.

BY THE COMMISSION



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Lumpe, Ch., Drainer, Murray, and
Schemenauer, CC., concur.

Thornburg, Regulatory Law Judge

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COMMISSION COUNSEL
PUBLIC SERVICE COMMISSION