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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 2nd
day of May, 2000.

In the Matter of a Proposed Amendment to) Case No. MX-2000-590
Rule 4 CSR 240-123.030 - Seals.)

ORDER FINDING NECESSITY FOR RULEMAKING

On March 22, 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 to change the fees for modular unit inspections. On April 11, 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 240-123.030, be amended to change and increase the fee for a compliance seal from \$20.00 to \$40.00, eliminate a mailing and handling fee, and amend the rule with respect to the location where the seal is to be placed. The Staff states that the current fees have been in place since 1979. Staff further states that deregulation of recreational vehicles resulted in a void in funding for the Manufactured Housing Program. Based upon fiscal year 1999 data the fee changes will increase revenue by about \$31,000.

Section 700.040, RSMo Supp. 1999, authorizes the Commission to establish reasonable fees for seals and inspections that are sufficient to cover all costs in administering Missouri's manufactured housing standards.

The Staff memorandum demonstrates that the proposed rule 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 fee will generate revenues required to fund appropriation requirements and presents the anticipated fees for modular units.

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 240-123.030 - Seals, 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 May 12, 2000.

BY THE COMMISSION

A handwritten signature in dark ink, reading "Dale Hardy Roberts". The signature is written in a cursive, slightly slanted style.

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Lumpe, Ch., Drainer, Murray,
and Schemenauer, CC., concur.
Crompton, C., absent.

Thornburg, Regulatory Law Judge