

January 8, 2015

Barb Dominguez
Director, Kansas Administrative Regulations
Publications Division
Secretary of State
Memorial Hall
120 SW 10th Ave.
Topeka, KS 66612-1594

RE: KHRC Proposed Amendment to K.A.R. 127-2-2

Dear Ms. Dominguez:

Kansas Housing Resources Corporation (KHRC) administers the Manufactured Housing Installation Program on behalf of the State of Kansas. KHRC is in the process of amending its existing regulation at K.A.R. 127-2-2 to ensure compliance with Federal program requirements.

Pursuant to the Rules and Regulations Filing Act and the Policy & Procedure Manual for the Filing of Kansas Administrative Regulations, please find enclosed the:

1. Notice of Public Hearing;
2. Two complete copies of the proposed regulation amendment; and
3. Two copies of the complete economic impact statement.

I will also provide these documents in electronic format to you by e-mail, along with copying the leadership of the Joint Committee on Administrative Rules and Regulations and the Director of Legislative Research.

If you need additional information or have any questions, please do not hesitate to call me at 785-217-2041 or e-mail me at rvincent@kshousingcorp.org. Also, as KHRC is not a traditional state agency and does not use the intra-agency payment system, please send the invoice for publication to my attention and I will process payment to your office.

Sincerely,



Ryan Vincent
Deputy Director/General Counsel

Enclosure

cc. Sen. Vicki Schmidt, Chair, Joint Committee on Administrative Rules and Regulations, by electronic mail to: Vicki.Schmidt@senate.ks.gov and Vicki.Schmidt@mac.com

Rep. Sharon Schwartz, Vice-Chair, Joint Committee on Administrative Rules and Regulations, by electronic mail to: Sharon.Schwartz@house.ks.gov and porkchop@bluevalley.net

Sen. Oletha Faust-Goudeau, Ranking Minority Member, Joint Committee on Administrative Rules and Regulations, by electronic mail to: Oletha.Faust-Goudeau@senate.ks.gov and oletha29th@aol.com

Mr. Raney Gilliland, Director, Legislative Research, by electronic mail to: Raney.Gilliland@klrd.ks.gov

Citizens Regulatory Review Board, by electronic mail to: CRRB@ks.gov

KANSAS HOUSING RESOURCES CORPORATION
NOTICE OF HEARING ON PROPOSED ADMINISTRATIVE REGULATION

A public hearing will be conducted at 10a.m., March 24, 2015, in the main conference room of the Kansas Housing Resources Corporation (KHRC), 611 S. Kansas Ave., Suite 300, Topeka, Kansas 66603, to consider the adoption of an amendment to K.A.R. 127-2-2.

This 60-day notice of the public hearing shall constitute a public comment period for the purpose of receiving written public comments on the proposed regulations. All interested parties may submit written comments prior to the hearing to the attention of Ryan Vincent, Deputy Director/General Counsel, Kansas Housing Resources Corporation, 611 S. Kansas Ave., Suite 300, Topeka, Kansas 66603. All interested parties will be given a reasonable opportunity to present their views orally on the adoption of the proposed regulation during the hearing. In order to give all parties an opportunity to present their views, it may be necessary to request that each participant limit any oral presentation to five minutes.

Any individual with a disability may request accommodation in order to participate in the public hearing and may request the proposed regulation and economic impact statement in an accessible format. Requests for accommodation to participate in the hearing should be made at least five working days in advance of the hearing by contacting Ryan Vincent at (785) 217-2041 [or TTY (800) 766-3777]. Handicapped parking is available on Kansas Avenue in front of the building's entrance.

The regulation is proposed for adoption on a permanent basis. A summary of the proposed regulation and its economic impact follows.

K.A.R. 127-2-2. Installation Standards: This regulation currently contains uniform installation standards for manufactured housing in the State. The proposed amendment adopts

the latest Federal regulations to ensure compliance with Federal requirements and makes technical clean up revisions.

The proposed amendment to the regulation does not have a significant economic impact to KHRC, other governmental units, installers or consumers of manufactured housing, or the general public, as they are limited in scope and do not substantively affect the existing installation program.

Copies of the proposed regulations and their economic impact statement may be obtained at 611 S. Kansas Ave., Suite 300, Topeka, Kansas 66603, online at www.kshousingcorp.org, or by electronic mail to: rvincent@kshousingcorp.org.

127-2-2. Installation standards. (a) Except as ~~provided~~ specified in this regulation, each of the words and terms defined in K.S.A. 58-4202, and amendments thereto, shall have the meanings meaning specified in that statute.

(b) The definition of “manufactured home” in 24 ~~CFR~~ C.F.R. 3280.2, as promulgated by the U.S. department of housing and urban development and in effect on February 8, 2008, is hereby adopted by reference.

(c) The following federal regulations promulgated by the U.S. department of housing and urban development, as in effect on ~~October 20, 2008~~ November 10, 2014, are hereby adopted by reference:

(1) The following provisions of 24 ~~CFR~~ C.F.R. Part 3280:

(A) In ~~24 CFR~~ 3280.302, the definitions of “anchor assembly,” “anchoring equipment,” “anchoring system,” “diagonal tie,” “foundation system,” “ground anchor,” “stabilizing devices,” and “support system”; and

(B) ~~24 CFR~~-3280.306(b)(2)(iii) and (iv); and

(2) the following provisions of 24 ~~CFR~~ C.F.R. Part 3285:

(A) The following sections of subpart A:

(i) ~~24 CFR~~-3285.2(c) and (d);

(ii) ~~24 CFR~~-3285.4(b), (c), (d), (e), (f), (g), (h)(2) and (3), (i), and (j);

(iii) ~~24 CFR~~-3285.5; and

(iv) ~~24 CFR~~ 3285.6;

(B) the following sections or portions of sections of subpart B:

(i) The first sentence of ~~24 CFR~~ 3285.101;

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- (ii) ~~24 CFR~~ 3285.102; and
- (iii) ~~24 CFR~~ 3285.103;
- (C) subpart C, except that registered manufacturer's installation instructions may be substituted for ~~24 CFR~~ 3285.204;
- (D) subpart D, except that ~~24 CFR~~ 3285.302 shall not be adopted and except that registered manufacturer's installation instructions may be substituted for the following:
 - (i) ~~24 CFR~~ 3285.301;
 - (ii) the first sentence of ~~24 CFR~~ 3285.302;
 - (iii) tables 1 and 2 to ~~24 CFR~~ 3285.303;
 - (iv) figure A, "typical mate-line column pier and mating wall support when frame only blocking is required," to ~~24 CFR~~ 3285.310;
 - (v) figure B, "typical mate-line column pier and mating wall support when perimeter blocking is required," to ~~24 CFR~~ 3285.310(b);
 - (vi) ~~24 CFR~~ 3285.312(b); and
 - (vii) figure A, "typical blocking diagrams for single section homes," and figure B, "typical blocking diagram for multi-section home," to ~~24 CFR~~ 3285.312;
- (E) subpart E, except that registered manufacturer's installation instructions may be substituted for ~~24 CFR~~ 3285.404;
- (F) subpart F;
- (G) subpart G;
- (H) subpart H; and

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(I) subpart I, except that registered manufacturer's installation instructions may be substituted for 24 CFR 3285.802.

(d) Any manufacturer's installation designs and instructions that have been approved by the secretary of the U.S. department of housing and urban development or by a design approval primary inspection agency (DAPIA), as provided in 24 CFR C.F.R. 3285.2, may be filed with the corporation. On and after the date on which designs and instructions are filed, they shall be considered "registered manufacturer's installation instructions" for purposes of subsection (c).

(e)(1) Each addition, modification, replacement, or removal of any equipment that affects the installation of a manufactured home and that is made by the installer before completion of the installation of the home shall meet or exceed the protections and requirements of the installation standards specified in this regulation.

(2) An alteration specified in paragraph (e)(1) shall not affect the applicability of the manufactured home construction and safety standards. An alteration specified in paragraph (e)(1) shall not impose additional loads on the manufactured home or its foundation, unless the alteration meets the following requirements:

(A)(i) Is included in the manufacturer's DAPIA-approved designs and installation instructions; or

(ii) is designed by a registered professional engineer or architect and is consistent with the manufacturer's design; and

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(B) conforms to the requirements of the manufactured home construction and safety standards. (Authorized by K.S.A. 58-4218 and 58-4225; implementing K.S.A. 58-4217 and 58-4218; effective March 6, 2009; amended P-_____.)

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**KANSAS HOUSING RESOURCES CORPORATION
ECONOMIC IMPACT STATEMENT
K.A.R. 127-2-2**

I. Description of Proposed Regulation and its intended Effect.

In response to the Federal Manufactured Housing Improvement Act of 2000 (“Federal Act”), Title VI, Pub. L. 106-659, 114 Stat. 2997, the Legislature amended the Kansas Manufactured Housing Act (“State Act”), K.S.A. 58-4216 *et seq.*, to provide for the regulation of manufactured home installation in the State. The State Act charged Kansas Housing Resources Corporation (“KHRC”) with the responsibility of adopting uniform installation standards, as well as monitoring the Federal standards thereafter to ensure that Kansas is in compliance with the Federal Act. KHRC adopted the regulation containing the installation standards at K.A.R. 127-2-2 on March 6, 2009.

In September 2014, the U.S. Department of Housing and Urban Development (“HUD”) issued a final rule amending a portion of the Federal standards pertaining to ground anchor installations. This revision at the Federal level required KHRC to propose this amendment to the installation standards at K.A.R. 127-2-2 to ensure compliance with the Federal Act.

II. Reason the Proposed Regulation is Required, Including Whether or Not the Regulation is Mandated by Federal Law.

The amendment to the existing regulation is required under the State Act to ensure compliance with the Federal Act. If KHRC’s installation regulation program does not meet minimum Federal requirements, HUD will administer the program in the State. KHRC’s proposed amendment to the regulation does not exceed the requirements of the Federal Act.

III. Anticipated Economic Impact upon KHRC, Other Governmental Agencies, Small Employers, Private Citizens, and Consumers of the Products or Services.

The proposed amendment to the regulation will have no economic impact on KHRC, as it is a technical revision that does not substantively change administration of the program. KHRC does not anticipate significant economic impact on other governmental agencies, small employers, private citizens or installers or consumers of the manufactured homes installed subject to the regulation, as the revision is technical and limited in its scope.

IV. Less Costly or Intrusive Methods That Were Considered, but Rejected, and the Reason for Rejection.

KHRC did not consider and subsequently reject less costly or intrusive methods, as the proposed regulation simply adopts the most current Federal standards to ensure compliance with the Federal Act.