

*** Current through the 2016 Regular Session and the 2nd Extraordinary Session of the 109th Tennessee General Assembly ***

Title 68 Health, Safety and Environmental Protection Safety
Chapter 126 Manufactured Homes
Part 3 Tennessee Modular Building Act

Tenn. Code Ann. § 68-126-301 (2016)

68-126-301. Short title.

This part shall be known and may be cited as the "Tennessee Modular Building Act."

HISTORY: Acts 1985, ch. 309, § 2; 1987, ch. 120, § 13; T.C.A., § 68-36-301.

68-126-302. Legislative findings -- Purpose -- Standards.

(a) The general assembly finds that, in an effort to meet the building needs within the state, the private construction industry has developed mass production techniques that can substantially reduce construction costs, and that the mass production of buildings presents unique problems with respect to the establishment of uniform health and safety standards and inspection procedures. The general assembly further finds that, by minimizing the problems of standards and inspection procedures, it is demonstrating its intention to encourage the reduction of building construction costs and to make building and home ownership more feasible for all residents of the state.

(b) Because of the nature of the construction of modular building units that arrive at the site of installation with some or all of the electrical, mechanical, plumbing and other systems already built into the unit and not able to be inspected at the site without disassembly or destruction, it is the purpose of this part to provide for the inspection of modular building units for compliance with building codes at the place of manufacture.

(c) The commissioner is authorized to set standards for the construction and installation of modular building units, and to provide for the inspection of such units by the department, by an approved inspection agency or by reciprocal agreement with other states.

HISTORY: Acts 1985, ch. 309, § 2; T.C.A., § 68-36-302; Acts 2007, ch. 232, § 1.

68-126-303. Part definitions.

As used in this part, unless the context otherwise requires:

(1) "Approved inspection agency" means a person, organization or local government approved by the commissioner to be especially qualified by reason of facilities, personnel, experience, and demonstrated reliability, to investigate, test, evaluate and inspect modular building units, systems, or the component parts of modular building units together with the plans, specifications, and quality control procedures to ensure that such units, systems, or component parts are in full compliance with the standards adopted by the commissioner pursuant to this part and to label such units complying with those standards. Any person, or any organization whose membership is composed of persons, employed by a manufacturer of modular units or owning any interest in any such manufacturing business, shall be ineligible for approval by the commissioner to serve as an inspection agency;

(2) "Commissioner" means the commissioner of commerce and insurance;

(3) "Component" means any assembly, sub-assembly, or combination of elements for use as a part of a modular building unit, which may include the structural, electrical, mechanical, plumbing, fire protection, or other structurally integrated system or systems thereof affecting life safety;

(4) "Department" means the department of commerce and insurance;

(5) "Guard shelter" means a structure used exclusively for the purpose of providing shelter for no more than two (2) persons who are watching over or protecting a person or place or supervising prisoners;

(6) "Installation" means the assembly of modular building units on-site and/or the process of affixing modular building-related components to land, a foundation, footings, utilities, or an existing building;

(7) "Local government" means any political subdivision of this state with authority to establish standards and requirements applicable to the construction, installation, alteration and repairs of buildings;

(8) "Modular building unit" means a structural unit, or preassembled component unit, including the necessary electrical, plumbing, heating, ventilating and other service systems, manufactured off-site and transported to the point of use for installation or erection, with or without other specified components, as a finished building. "Modular building unit" does not apply to temporary structures used exclusively for construction purposes, nonresidential farm buildings, or ready-removables that are not modular structures;

(9) "Ready-removable" means a structure without any foundation, footings, or other support mechanisms that allow a structure to be easily relocated but which may include electrical wiring. Ready-removable structures include, but are not limited to, stadium press boxes, guard shelters, or structures that contain only electrical, electronic, or mechanical equipment that are solely occupied for service or maintenance of such equipment; and

(10) "Structure" means any building or improvement and its components, systems, fixtures, and appurtenances at the time of completion or construction.

HISTORY: Acts 1985, ch. 309, § 3; 1987, ch. 120, §§ 14-16; T.C.A., § 68-36-303; Acts 2007, ch. 232, §§ 2, 3; 2012, ch. 589, §§ 1, 2.

68-126-304. Prerequisites to sale or installation -- Local requirements.

(a) (1) After the effective date of the rules adopted pursuant to this part, no modular building unit shall be offered for sale, sold, or installed in this state, unless it is approved and bears the insignia of approval of the commissioner, the commissioner's designee, or an approved inspection agency.

(2) All modular building units manufactured in this state, or intended to be offered for sale, sold, or installed in this state, shall be inspected by the commissioner, the commissioner's designee, or an approved inspection agency, at the place of manufacture of the modular building unit.

(b) (1) No local standard relating to the construction or installation of modular building units shall be applicable to any modular building unit subject to this part, unless such standard is identical to that set by the commissioner pursuant to § 68-126-302.

(2) Any modular building unit bearing an insignia of approval issued by the commissioner, the commissioner's designee, or an approved inspection agency pursuant to this part, shall be deemed to comply with any local standard relating to the construction of modular building units.

(3) Subject to subdivision (b)(1), a local government may make, and charge a fee for, an inspection of the installation of a modular building unit. Such fee shall be equal to the amount charged for a similar inspection on conventionally built housing.

(4) Local land use and zoning requirements, fire zones, building setback requirements, side and rear yard requirements, subdivision control, as well as the review and regulation of aesthetic requirements, are specifically and entirely reserved to local government. Such local requirements and rules that may be enacted by a local government must be reasonable and uniformly applied and enforced without any distinction as to whether a building is a conventionally constructed or modular building.

(5) Modular building units bearing an insignia of approval issued by the commissioner, the commissioner's designee, or an approved inspection agency pursuant to this part shall not be modified prior to or during installation, except in conformance with the rules of the commissioner.

HISTORY: Acts 1985, ch. 309, § 4; T.C.A., § 68-36-304.

68-126-305. Powers and duties of commissioner.

(a) (1) The commissioner shall enforce and administer this part.

(2) The commissioner shall promulgate such rules and regulations as the commissioner finds necessary to carry out this part, in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

(3) The commissioner is authorized to require licenses of manufacturers, dealers, and any other person involved in the construction, installation, sale or lease of a modular building unit, and to set reasonable fees and conditions for such licenses.

(b) In addition to any other powers conferred on the commissioner by law, the commissioner may:

(1) Prescribe all forms required to be filed pursuant to this part;

(2) Establish a schedule of fees to pay the cost incurred by the department for the administration and enforcement of this part;

(3) Appoint and employ such personnel as are necessary to carry out the duties imposed upon the commissioner by this part;

(4) Delegate inspection authority under this part, by contract or other agreement, to local governments, private persons, corporations, associations, and agencies of other states, as an approved inspection agency; and

(5) Assess civil penalties not to exceed five thousand dollars (\$5,000) for each violation of this part.

(c) If a modular building is manufactured, sold, or installed in violation of this part, the commissioner may require:

(1) The manufacturer, dealer, or installer in violation of this part to provide the commissioner with as-built plans to be evaluated and approved by the commissioner for compliance with state building codes;

(2) The manufacturer, dealer, or installer in violation of this part to make available for inspection any components and concealed spaces of the structure and to repair any damages made when making the components and concealed spaces available for inspection;

(3) Inspections to be made during the remanufacturing process and may require that concealed spaces be opened or made accessible as necessary to determine that components comply with state building codes; and

(4) The manufacturer, dealer, or installer to be responsible for all costs or expenses incurred pursuant to this subsection (c).

HISTORY: Acts 1985, ch. 309, § 5; T.C.A., § 68-36-305; Acts 2007, ch. 232, §§ 4-7.

68-126-306. Reciprocity -- Interstate agreements.

If the commissioner determines that the standards for construction and inspection of modular building units prescribed by statute or rule of another state are at least equal to rules prescribed under this part and that such standards are actually enforced by such other state, the commissioner may negotiate and enter into reciprocal agreements with appropriate officials of other states, or with an agent for such states. Any modular building unit inspected and approved under such an agreement shall be deemed to have been approved by the commissioner.

HISTORY: Acts 1985, ch. 309, § 6; T.C.A., § 68-36-306.

68-126-307. Judicial relief to compel compliance.

The department may seek injunctive or other relief to compel compliance with the requirements of this part or with rules issued pursuant to this part, or to enjoin the sale, delivery, or installation of a modular building unit. Such relief may be sought in the chancery court of the county in which the modular building unit that is the subject of the action is located, or of the county in which such unit was manufactured, or of Davidson County.

HISTORY: Acts 1985, ch. 309, § 7; 1987, ch. 120, § 17; T.C.A., § 68-36-307.

68-126-308. Violation a misdemeanor.

A violation of any provision of this part is a Class B misdemeanor.

HISTORY: Acts 1985, ch. 308, § 8; 1989, ch. 591, § 112; T.C.A., § 68-36-308.

68-126-309. Disposition of revenue.

All revenue resulting from the administration and enforcement of this part constitutes expendable receipts of the division of fire prevention.

HISTORY: Acts 1985, ch. 309, § 9; T.C.A., § 68-36-309.

68-126-310. Exemption from licensure requirements for local education agencies.

A local education agency (LEA) whose students, under supervision of vocational/industrial instructors, construct, as part of a vocational/industrial curriculum, modular building units shall be exempt from all licensure requirements of this part; provided, however, that:

- (1) The LEA constructs no more than five (5) modular buildings per school per school year;
- (2) Each modular building's structural and electrical systems are inspected from its initial stages of construction by qualified building and electrical inspectors;
- (3) Each modular building meets all applicable local building codes and, when installed at a permanent site, is inspected by local building officials as a site-built structure; and
- (4) The LEA provides the purchaser of a modular building with a statement disclosing that it does not comply with this part. The LEA shall retain a copy of the statement signed by the purchaser.

HISTORY: Acts 2003, ch. 14, § 1; 2008, ch. 691, §§ 1-4.

68-126-311. Requirements for ready-removables with electrical wiring.

(a) Ready-removables with electrical wiring must still meet applicable state and local electrical permitting requirements, local building permitting requirements, and have hardwired smoke alarms installed in accordance with the manufacturer's instructions.

(b) No ready-removable shall be modified for use as residential, recreational, or emergency housing in this state.

HISTORY: Acts 2012, ch. 589, § 3.

68-126-312 thru 68-126-319. [Reserved.]

68-126-320. [Repealed.]

[END MODULAR SECTION]