

**§ 3282.305 State plan approval.**

The Secretary's approval or conditional approval of a State plan Application shall qualify that State to perform the functions for which it has been approved.

**§ 3282.306 Withdrawal of State approval.**

The Secretary shall, on the basis of reports submitted by the State, and on the basis of HUD monitoring, make a continuing evaluation of the manner in which each State is carrying out its State plan and shall submit the reports of such evaluation to the appropriate committees of the Congress. Whenever the Secretary finds, after affording due notice and opportunity for a hearing in accordance with subpart D of this part, that in the administration of the State program there is a failure to comply substantially with any provision of the State plan or that the State plan has become inadequate, the Secretary shall notify the State of withdrawal of approval or conditional approval of the State program. The State program shall cease to be in effect at such time as the Secretary may establish.

**§ 3282.307 Monitoring inspection fee establishment and distribution.**

(a) Each approved State shall establish a monitoring inspection fee in an amount required by the Secretary. This fee shall be an amount paid by each manufactured home manufacturer in the State for each transportable section of each manufactured housing unit produced by the manufacturer in that State. In non-approved and conditionally-approved States, the fee shall be set by the Secretary.

(b) The monitoring inspection fee shall be paid by the manufacturer to the Secretary or to the Secretary's Agent, who shall distribute a portion of the fees collected from all manufactured home manufacturers among the approved and conditionally-approved States in accordance with an agreement between the Secretary and the States and based upon the following formula:

(1) \$9.00 of the monitoring inspection fee collected for each transportable section of each new manufactured housing unit that, after leaving the

manufacturing plant, is first located on the premises of a dealer, distributor, or purchaser in that State; plus

(2) \$2.50 of the monitoring inspection fee collected for each transportable section of each new manufactured housing unit produced in a manufacturing plant in that State.

(c) A portion of the monitoring inspection fee collected also shall be distributed by the Secretary or the Secretary's Agent based on the extent of participation of the State in the Joint Team Monitoring Program set out in § 3282.308.

(d) To assure that a State devotes adequate funds to carry out its State Plan, a State may impose an additional reasonable inspection fee to offset expenses incurred by that State in conducting inspections. Such fee shall not exceed that amount which is the difference between the amount of funds distributed to the State as provided in paragraph (b) of this section and the amount necessary to cover the costs of inspections. Such fee shall be part of the State Plan pursuant to § 3282.302(b) (11) and (12) and shall be subject to the approval of the Secretary pursuant to § 3282.305.

(e) The Secretary may establish by notice in the FEDERAL REGISTER a monitoring inspection fee which is to be paid by manufacturers for each transportable section of each manufactured housing unit manufactured in nonapproved and conditionally approved States as described in § 3282.210. To determine the amount of the inspection fee to be paid for each transportable section of each manufactured home, the Secretary shall divide the (estimated) number of transportable sections of manufactured homes (based on recent industry production figures) into the anticipated aggregate cost of conducting the inspection program in the foreseeable future. The time period selected for projecting the Department's inspection-related costs and number of transportable sections need not always be the same, but must be for a period of sufficient duration to provide for access to reasonable underlying data. To determine the aggregate cost of conducting the inspection program, the Secretary shall calculate the sum necessary to support:

**§ 3282.308**

(1) Inspection-related activities of State Administrative Agencies;

(2) Inspection-related activities performed by the Department of Housing and Urban Development;

(3) Inspection-related activities performed by monitoring inspection contractors;

(4) Miscellaneous activities involving the performance of inspection-related activities by the Department, including on-site inspections on an ad hoc basis; and

(5) Maintenance of adequate funds to offset short-term fluctuations in costs that do not warrant revising the fee under the authority of this section.

(f) The Secretary may at any time revise the amount of the fees established under paragraph (a) or (e) of this section by placing a notice of the amount of the revised fee in the FEDERAL REGISTER.

[50 FR 28398, July 12, 1985, as amended at 56 FR 65186, Dec. 16, 1991]

**§ 3282.308 State participation in monitoring of primary inspection agencies.**

(a) An SAA may provide personnel to participate in joint team monitoring of primary inspection agencies as set out in subpart J. If an SAA wishes to do so, it must include in its State plan a list of what personnel would be supplied for the teams, their qualifications, and how many person-years the State would supply. All personnel will be subject to approval by the Secretary or the Secretary's agent. A person-year is 2,080 hours of work.

(b) If an SAA wishes to monitor the performance of primary inspection agencies acting within the State, it must include in its State plan a description of how extensively, how often, and by whom this will be carried out. This monitoring shall be coordinated by the Secretary, or the Secretary's agent with monitoring carried out by joint monitoring teams, and in no event shall an SAA provide monitoring where the State is also acting as a primary inspection agency.

**§ 3282.309 Formal and informal presentations of views held by SAAs.**

(a) When an SAA is the appropriate agency to hold a Formal or Informal

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Presentation of Views under § 3282.407 of subpart I, the SAA shall follow the procedures set out in §§ 3282.152 and 3282.153, with the SAA acting as the Secretary otherwise would under that section. Where § 3282.152 requires publication of notice in the FEDERAL REGISTER, the SAA shall, to the maximum extent possible, provide equivalent notice throughout the State by publication in the newspaper or newspapers having State-wide coverage or otherwise. The determination of whether to provide an Informal Presentation of Views under § 3282.152(f), or a Formal Presentation of Views under § 3282.152(g), is left to the SAA.

(b) Notwithstanding the provisions of § 3282.152(f)(2) and (g)(2) relating to the conclusive effect of a final determination, any party, in a proceeding held at an SAA under this section, including specifically the owners of affected manufactured homes, States in which affected manufactured homes are located, consumer groups representing affected owners and manufacturers (but limited to parties with similar substantial interest) may appeal to the Secretary in writing any Final Determination by an SAA which is adverse to the interest of that party. This appeal on the record shall be made within 30 days of the date on which the Final Determination was made by the SAA.

[41 FR 19852, May 13, 1976, as amended at 51 FR 34468, Sept. 29, 1986]

**Subpart H—Primary Inspection Agencies**

**§ 3282.351 General.**

(a) This subpart sets out the requirements which must be met by States or private organizations which wish to qualify as primary inspection agencies under these regulations. It also sets out the various functions which will be carried out by primary inspection agencies.

(b) There are four basic functions which are performed by primary inspection agencies:

(1) Approval of the manufacturer's manufactured home design to assure that it is in compliance with the standard;