

INDUSTRIALIZED HOUSING ACT

Act of May. 11, 1972, P.L. 286, No. 70

Cl. 68

AN ACT

Regulating the sale of certain structures made, fabricated, formed or assembled in manufacturing facilities and providing penalties.

**Compiler's Note:** Section 301(a)(14) of Act 58 of 1996, which created the Department of Community and Economic Development and abolished the Department of Community Affairs, provided that industrialized and mobile housing under Act 70 is transferred from the Department of Community Affairs to the Department of Community and Economic Development.

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The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Short Title.--This act shall be known and may be cited as the "Industrialized Housing Act."

Section 2. Findings and Declarations of Policy.--It is hereby determined and declared as a matter of legislative finding that:

(1) An adequate supply of safe and sanitary housing is fundamental to the health, safety and welfare of the people of Pennsylvania.

(2) There exists in the Commonwealth a shortage of safe and sanitary housing.

(3) The production of housing using new and improved technology, techniques, methods and materials could lead to an increase in the available supply of safe and sanitary housing.

(4) Building and related codes of the communities within the Commonwealth, as enacted and applied, are not uniform and impede the utilization of new and improved technology, techniques, methods and materials in the production of housing.

(5) To facilitate the use of industrialized housing in the Commonwealth and to safeguard the health, safety and welfare of citizens of the Commonwealth, there is a need for uniform State standards and procedures for the identification, inspection of manufacture and assembly, and certification of industrialized housing and those components forming integral

parts of housing structures for use in any and all communities in the Commonwealth.

(6) As standards for performance of industrialized housing and housing components are developed and adopted by the United States Department of Housing and Urban Development, other states, and the Commonwealth of Pennsylvania, reciprocity in the recognition of certification of such industrialized housing and housing components will benefit both producers of industrialized housing and housing consumers in the Commonwealth.

(7) While recognizing that mobile homes constitute a category of industrialized housing, it is further recognized that mobile homes differ in characteristics of sufficient significance that they should be certified separately by the Commonwealth from other categories of industrialized housing to be used in the Commonwealth.

(8) To facilitate the construction and installation of industrialized/commercial modular buildings and industrialized/commercial building modules for use in this Commonwealth, there is a need for uniform State standards and procedures for the identification, inspection and assembly and certification in a similar manner as industrialized housing.

((8) added May 21, 2013, P.L.27, No.8)

Section 3. Definitions.--As used in this act:

(1) "Certification" means conforming to the rules and regulations of the department.

(2) "Department" means the Department of Community and Economic Development of the Commonwealth of Pennsylvania. ((2) amended July 6, 2009, P.L.56, No.13)

(3) "Housing component" means any major manufactured subsystem or subassembly, designed for use as an integral component part of a structure designed for residential occupancy.

(4) "Industrialized housing" means any structure designed primarily for residential occupancy which is wholly or in substantial part made, fabricated, formed or assembled in manufacturing facilities for installation, or assembly and installation, on the building site; however, for the purposes of this act, that category of housing units defined as mobile homes is excluded from this definition.

(4.1) "Industrialized/commercial modular building" means a structure designed for commercial occupancy, and classified within nonresidential use groups in accordance with the standards adopted under 12 Pa. Code § 145.41 (relating to adoption of standards) and which is wholly or in substantial part made, constructed, fabricated, formed or assembled in manufacturing facilities for installation or assembly and installation on the building site so that concealed parts or processes of manufacture cannot be inspected at the site without disassembly, damage or destruction. The term does not include industrialized housing as defined in 12 Pa. Code § 145.1 (relating to definitions) or manufactured home, as defined in section 5402(6) of the National Manufactured Housing Construction and Safety Standards Act of 1974 (Public Law 93-383, 42 U.S.C. § 5401 et seq.). ((4.1) added July 6, 2009, P.L.56, No.13)

(4.2) "Industrialized/commercial building module" means a closed wall structure or substantial part of a closed wall structure incorporating one or more rooms used as habitable, occupiable or mechanical/equipment space, which is fabricated in a manufacturing facility to be separately transported to the building site, that cannot be inspected at the site without

disassembly. This term also includes industrialized/commercial building components that are subsystems or assemblies, or other systems of closed construction designed for use in or as a part of an industrialized commercial building. ((4.2) added July 6, 2009, P.L.56, No.13)

(5) "Installation" means the assembly of industrialized housing on site and the process of affixing industrialized housing or housing components to land, a foundation, footings, utilities or an existing building.

(6) "Local government" means any county, city, borough, incorporated town, township, or any similar general purpose unit of government which may be created by the General Assembly with authority to establish standards and requirements applicable to the construction, installation, alteration and repair of buildings.

(7) "Local enforcement agency" means the agency or agencies of local government with authority to make inspections and to enforce the laws, ordinances and regulations enacted by the State and by local governments that establish standards and requirements applicable to the construction, alteration or repair of buildings.

(8) "Manufacture" means the process of making, fabricating, constructing, forming or assembling a product from raw, unfinished or semi-finished materials.

(9) "Manufacturing facilities" means the place or places at which machinery, equipment and other capital goods are assembled and operated for the purpose of making, fabricating, constructing, forming or assembling industrialized housing or housing components.

(10) "Mobile home" means every structure defined as a "mobile home" in section 2 of the Uniform Standards Code for Mobile Homes.

(11) "Person" means any individual or organized group of any character, including partnerships, corporations and other forms of association, as well as Federal, State or local instrumentalities, political subdivisions or officers thereof.

(12) "Site" means the entire tract, subdivision, or parcel of land on which industrialized housing is installed.

#### Section 4. Regulations, Insignia of Certification

Required.--(a) No person may sell, lease or install for use in the Commonwealth of Pennsylvania any industrialized housing or housing components manufactured after the effective date of the duly promulgated rules and regulations adopted by the department pursuant to section 5 of this act unless such industrialized housing or housing components bear insignia of certification issued by the department. The prohibition on installation shall not apply to the installation of industrialized housing units or housing components intended for prototype, experimental, or demonstration purposes in or on a site designated as a test facility, except that such units shall not be sold or leased unless they bear insignia of certification issued by the department.

(b) The department is hereby authorized to enter into interdepartmental agreements for the purposes of administration of this act.

(c) The department may issue insignia of certification to any industrialized housing or housing components manufactured prior to the effective date of the duly promulgated rules and regulations adopted by the department pursuant to section 5 of this act if such industrialized housing or housing components comply with the standards established by such rules and regulations.

(d) All industrialized housing or housing components manufactured prior to the effective date of the duly promulgated rules and regulations adopted by the department pursuant to section 5 of this act and not carrying the insignia of certification may be sold, leased or installed in any municipality of the Commonwealth subject to any and all local ordinances, regulations, building codes, and special local requirements.

(e) Except in cases of waterline connections to their main source of supply; sewer drainage line connections to main sewers or cesspools; or electrical line connections to their main source of power, all industrialized housing or housing components bearing an insignia of certification pursuant to the requirements of this section shall be deemed to comply with the requirements of all building and related codes and ordinances enacted by any local government of the Commonwealth thereof applicable to housing and/or home building in construction, plumbing, heating, electrical, and other related codes pertaining to such construction, and equipment contained within and including the exterior walls of such industrialized housing.

(f) No industrialized housing or housing components bearing a department insignia of certification pursuant to subsections (a) and (b) of this section shall be in any way modified prior to or during installation unless modification is permitted by the duly promulgated rules and regulations adopted by the department pursuant to section 5 of this act.

(g) No provision of this act shall apply to industrialized housing or housing components installed on any site in the Commonwealth of Pennsylvania prior to the adoption of this act.

(h) Nothing in this act shall be construed as amending or repealing any of the provisions of the Fire and Panic Act or its application to building construction or use or occupancy.

(i) Nothing in this act shall be construed as amending, repealing or superseding any local zoning ordinance, subdivision regulation, or any related locally adopted land development code, regulation or ordinance.

(j) The department shall adopt regulations that are consistent with the requirements of the act of November 10, 1999 (P.L.491, No.45), known as the "Pennsylvania Construction Code Act," to administer a certification program as described in this section to regulate the construction, installation standards and inspection of industrialized/commercial modular buildings shipped from the factory and industrialized/commercial building modules shipped from the factory. Modules of industrialized/commercial modular buildings that are certified under the program established pursuant to this subsection shall be deemed to meet the requirements of the "Pennsylvania Construction Code Act." ((j) amended May 21, 2013, P.L.27, No.8)

Section 5. Promulgation of Rules and Regulations by the Department.--(a) The department, in consultation with the Industrialized Housing Advisory Commission shall promulgate rules and regulations to interpret and make specific the provisions of this act. Such rules and regulations adopted, amended, repealed and substituted from time to time pursuant to this section shall assure the health, safety and welfare of the people of Pennsylvania by requiring safe and sanitary industrial housing and industrialized/commercial modular buildings and industrialized/commercial building modules and shall include provisions consistent with the requirements adopted under the act of November 10, 1999 (P.L.491, No.45), known as the "Pennsylvania Construction Code Act," and other recognized and accepted model codes. The department shall adopt

such other rules and regulations as are necessary to carry out the provisions of this act. Such rules and regulations shall be consistent with the act of July 31, 1968 (P.L.769, No.240), referred to as the Commonwealth Documents Law. No portion of this act or any code, or rules and regulations adopted, amended, repealed or substituted as provided herein, which limits the work to be performed to any type of construction contractor, or labor or mechanic classification shall be adopted or enforceable by the department. ((a) amended May 21, 2013, P.L.27, No.8)

(b) The department shall hold public hearings on rules and regulations proposed to be promulgated, amended, or repealed, consistent with the provisions of the act of June 4, 1945 (P.L.1388), known as the "Administrative Agency Law," and the act of July 31, 1968 (P.L.769), known as the "Commonwealth Documents Law."

Section 6. Recognition of Certification of Other States or the Federal Government.--The department may issue insignia of certification to industrialized housing, housing components, industrialized/commercial modular buildings and industrialized/commercial building modules that have been certified by the United States Department of Housing and Urban Development or competent authority within other states if the department finds that such certification is granted on the basis of standards substantially equivalent to the provisions promulgated under section 5 of this act.

(6 amended May 21, 2013, P.L.27, No.8)

Section 7. Fees.--The department shall establish a schedule of fees reasonably related to the cost incurred by the department to pay for the administration and enforcement of this act. All such fees shall be deposited in a special account in the State Treasury to be known as the Industrialized Housing Account. All fees collected for the purpose of this act shall be deposited in this account and the department shall draw from the account sufficient funds to cover the administrative and enforcement costs of operating the program. The funds in the account are hereby appropriated to the department to carry out this act and shall not lapse at the end of any fiscal year. The balance of funds remaining in the existing Industrialized Housing Account and held by the department on the effective date of this act are hereby transferred to the Industrialized Housing Account in the State Treasury.

(7 amended Dec. 23, 1981, P.L.592, No.174)

Section 8. Establishment of an Industrialized Housing Advisory Commission.--There is hereby established an Industrialized Housing Advisory Commission. The department shall consult with and obtain advice of the Industrialized Housing Advisory Commission in the drafting and promulgation of rules and regulations to be adopted in accordance with section 5 of this act. The commission shall consist of fifteen members appointed by the Governor by and with the advice and consent of two-thirds of the members of the Senate. The members initially appointed shall serve for the following terms: five members for a term of one year, five members for a term of two years and five members for a term of three years. The particular term of each member shall be designated by the Governor at the time of appointment. The terms of all their successors shall be three years each, except that any person appointed to fill a vacancy shall serve only for the unexpired term. Every member's term shall extend until his successor is appointed and qualified. Any member of the commission shall be eligible for reappointment. The members of the commission shall not receive

compensation for their services as members, but shall receive reimbursement for all necessary expenses incurred in connection with the performance of their duties as members. The department may supply such staff as requested by the commission.

Section 9. Appeals.--(a) The department shall promulgate rules pertaining to the hearing of appeals.

(b) The department shall hear appeals brought by any person regarding the application or interpretation of any rule or regulation promulgated by the department under this act.

Section 10. Variances.--The department may grant variances from the duly promulgated rules and regulations when it appears that such requested variances do not impair the health, safety and welfare of consumers and when such requested variances have been reviewed and approved by the Industrialized Housing Advisory Commission.

Section 11. Injunctive Relief.--The department may obtain injunctive relief to enjoin the sale, lease, delivery or installation of industrialized housing upon an affidavit specifying the manner in which the housing does not conform to the requirements of this act or to rules and regulations issued pursuant hereto.

(11 repealed in part Apr. 28, 1978, P.L.202, No.53)

Section 12. Penalties.--Whoever violates any provision of this act is guilty of a misdemeanor, and upon conviction thereof, shall be sentenced to pay a fine not exceeding five hundred dollars (\$500), or undergo imprisonment not exceeding six months, or both.

Section 13. Effective Date.--This act shall take effect immediately.