HOUSE BILL REPORT HB 2821

As Passed House:

February 9, 2018

Title: An act relating to delegation of inspection duties.

Brief Description: Concerning delegation of inspection duties.

Sponsors: Representatives McCabe, Manweller, Sells and Gregerson; by request of Department of Labor & Industries.

Brief History:

Committee Activity:

Labor & Workplace Standards: 1/23/18, 1/30/18 [DP].

Floor Activity:

Passed House: 2/9/18, 98-0.

Brief Summary of Bill

• Allows the Department of Labor and Industries to delegate its inspection duties related to factory built housing and commercial structures to a qualified inspection agency.

HOUSE COMMITTEE ON LABOR & WORKPLACE STANDARDS

Majority Report: Do pass. Signed by 7 members: Representatives Sells, Chair; Gregerson, Vice Chair; McCabe, Ranking Minority Member; Pike, Assistant Ranking Minority Member; Doglio, Frame and Manweller.

Staff: Joan Elgee (786-7106).

Background:

The Department of Labor and Industries (Department) regulates factory assembled structures, which include manufactured and mobile homes, recreational vehicles, and factory built housing and commercial structures. Factory built housing is a structure designed primarily for human occupancy, other than a manufactured or mobile home, that is substantially or entirely prefabricated or assembled at a place other than a building site. A

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commercial structure is a structure designed for human habitation, or human occupancy for industrial, education, assembly, professional or commercial purposes, such as a school portable. Factory built housing and commercial structures may not be installed in the state unless they are approved by and bear an insignia of approval from the Department.

The Department conducts an inspection at the factory to ensure standards are met. The Department may contract with a local enforcement agency to conduct the factory inspection. A local enforcement agency is a city or county agency that enforces the laws governing building construction.

Summary of Bill:

The Department may delegate its inspection duties related to factory built housing and commercial structures to a qualified inspection agency in addition to a local enforcement agency. A qualified inspection agency is a nongovernmental entity which is approved to perform inspections under contract with the Department. A qualified inspection agency must:

- be objective, competent, and independent from the companies responsible for the work being inspected;
- disclose any conflict of interest;
- have adequate equipment to perform the inspections; and
- employ experienced personnel with appropriate certifications and knowledge; a certification by the International Code Council meets this requirement.

A local enforcement agency includes a state agency as well as a city or county agency.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This is an efficiency bill which may lower costs to manufacturers and help address the backlog of inspections. The Department operates like a building department and approves each part of a modular structure. These structures are starting to be constructed overseas. An inspector is in Poland now for four months to inspect the factory. Overseas inspections require a lot of resources and it is possible the Department will not be able to conduct them.

(Opposed) None.

Persons Testifying: Representative McCabe, prime sponsor; and Tammy Fellin and Craig Sedlacek, Department of Labor and Industries.

Persons Signed In To Testify But Not Testifying: None.