

copy of this change to the manufacturer and the Secretary or the Secretary's agent as set out in paragraph (b)(4) of this section to be included in the design to which the change was made.

(c) *Quality assurance manuals.* (1) In evaluating a quality assurance manual, the DAPIA shall identify any aspects of designs to be manufactured under the manual which require special quality control procedures. The DAPIA shall determine whether the manual under which a particular design is to be manufactured reflects those special procedures, and shall also determine whether the manuals which it evaluates provide for such inspections and testing of each manufactured home so that the manufacturer, by following the manual, can assure that each manufactured home it manufactures will conform to the standards. The manual shall, at a minimum, include the information set out in § 3282.203(c).

(2) *Manual deviation report.* After evaluating a manufacturer's quality assurance manual, the DAPIA shall furnish the manufacturer with a manual deviation report which specifies in detail any changes which a manufacturer must make in order for the quality assurance manual to be acceptable. The manual deviation report shall, to the extent practicable, be complete for each design in order to avoid repeated rejections and additional costs to the manufacturer.

(3) *Manual approval.* The DAPIA shall signify approval of the manufacturer's quality assurance manual by placing its stamp of approval or authorized signature on the cover page of the manual. Within 5 days of approving a quality assurance manual, the DAPIA shall forward a copy of the quality assurance manual to the manufacturer and the Secretary or the Secretary's agent (prior to the effective date of the standards, the latter copy shall go to the Secretary). The DAPIA shall maintain a complete up-to-date set of approved manuals and manual changes approved under paragraph (c)(4) of this section which it can duplicate and copies of which it can furnish to interested parties as needed when disputes arise.

(4) *Manual change approval.* Each change the manufacturer wishes to

make in its quality assurance manual must be approved by the DAPIA, and, when subject to § 3282.604, concurred in by the IPIA. Within 5 days after approving a manual change, the DAPIA shall forward a copy of the change to the manufacturer and the Secretary or the Secretary's agent as set out in paragraph (c)(3) of this section to be included in the manual to which the change was made.

(d) *Requirements for full acceptance—DAPIA.* (1) Before granting full acceptance to a DAPIA, the Secretary or the Secretary's agent shall review and evaluate at least one complete design and one quality assurance manual which has been approved by the DAPIA. These shall be designs and manuals approved to the Federal standards, and they shall be chosen at random from those approved by the DAPIA during the period of provisional acceptance.

(2) If the Secretary determines that a design or quality assurance manual shows an inadequate level of performance, the Secretary or the Secretary's agent shall carry out further evaluations. If the Secretary finds the level of performance to be unacceptable, the Secretary shall not grant full acceptance. If full acceptance has not been granted by the end of the provisional acceptance period, provisional acceptance shall lapse unless the Secretary determines that the failure to obtain full acceptance resulted from the fact that the Secretary or her agent has not had adequate time in which to complete an evaluation.

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§ 3282.362 Production Inspection Primary Inspection Agencies (IPIAs).

(a) *General—(1) IPIA responsibilities.* An IPIA selected by a manufacturer under § 3282.204 to act in a particular manufacturing plant shall be responsible for assuring:

- (i) That the plant is capable of following the quality control procedures set out in the quality assurance manual to be followed in that plant;
- (ii) That the plant continues to follow the quality assurance manual;

(iii) That any part of any manufactured home that it actually inspects conforms with the design, or where the design is not specific with respect to an aspect of the standards, to the standards;

(iv) That whenever it finds a manufactured home in production which fails to conform to the design or where the design is not specific, to the standards, the failure to conform is corrected before the manufactured home leaves the manufacturing plant; and

(v) That if a failure to conform to the design, or where the design is not specific, to the standards, is found in one manufactured home, all other homes still in the plant which the IPIA's records or the records of the manufacturer indicate might not conform to the design or to standards are inspected and, if necessary, brought up to the standards before they leave the plant.

(2) No more than one IPIA shall operate in any one manufacturing plant, except that where a manufacturer decides to change from one IPIA to another, the two may operate in the plant simultaneously for a limited period of time to the extent necessary to assure a smooth transition.

(b) *Plant approval.* (1) Each IPIA shall, with respect to each manufacturing plant for which it is responsible, evaluate the quality control procedures being followed by the manufacturer in the plant to determine whether those procedures are consistent with and fulfill the procedures set out in the DAPIA approved quality assurance manual being followed in the plant. As part of this evaluation, and prior to the issuance of any labels to the manufacturer, the IPIA shall make a complete inspection of the manufacture of at least one manufactured home through all of the operations in the manufacturer's plant. The purpose of this initial factory inspection is to determine whether the manufacturer is capable of producing manufactured homes in conformance with the approved design and, to the extent the design is not specific with respect to an aspect of the standards, with the standards and to determine whether the manufacturer's quality control procedures as set out in the quality assurance manual, plant

equipment, and personnel, will assure that such conformance continues. This inspection should be made by one or more qualified engineers who have reviewed the approved design and by an inspector who has been carefully briefed by the engineers on the restrictive aspects of the design. The manufactured home shall be inspected to the approved design for the home except that where the design is not specific with respect to any aspect of the standards, the inspection shall be to the standards as to that aspect of the manufactured home. If the first manufactured home inspected fails to conform to the design or, with respect to any aspect of the standards not specifically covered by the design, to the standards, additional units shall be similarly inspected until the IPIA is satisfied that the manufacturer is conforming to the approved design, or where the design is not specific with respect to any aspect of the standards, to the standards and quality assurance manual.

(2) *Certification report.* If, on the basis of the initial comprehensive factory inspection required by paragraph (b)(1) of this section, the IPIA determines that the manufacturer is performing adequately, the IPIA shall prepare and forward to the manufacturer, to HUD, and to HUD's agent a certification report as described in this paragraph (b)(2) of this section. The issuance of the certification report is a prerequisite to the commencement of production surveillance under paragraph (c) of this section in the plant for which the report is issued. At the time the certification report is issued, the IPIA may provide the manufacturer with a two to four week supply of labels to be applied to manufactured homes produced in the plant. The IPIA shall maintain a copy of each certification report which it issues.

(3) The certification report shall include:

(i) The name of the DAPIA which approved the manufacturer's design and quality assurance manual and the dates of those approvals,

(ii) The names and titles of the IPIA engineers and inspectors who performed the initial comprehensive inspection,

(iii) A full report of inspections made, serial numbers inspected, any failures to comply which were observed, corrective actions taken, and dates of inspections, and

(iv) A certification that at least one manufactured home has been completely inspected in all phases of its production in the plant, that the manufacturer is performing in conformance with the approved designs and quality assurance manual and, to the extent the design is not specific with respect to any aspects of the standards, with the standards, and the IPIA is satisfied that the manufacturer can produce manufactured homes in conformance with the designs, and where the designs are not specific, with the standards on a continuing basis.

(4) *Inadequate manufacturer performance.* Where an IPIA determines that the performance of a manufacturer is not yet adequate to justify the issuance of a certification report and labels to the manufacturer, the IPIA may label manufactured homes itself by using such of its personnel as it deems necessary to perform complete inspections of all phases of production of each manufactured home being produced and labeling only those determined after any necessary corrections to be in conformance with the design and, as appropriate, with the standards. This procedure shall continue until the IPIA determines that the manufacturer's performance is adequate to justify the issuance of a certification report.

(c) *Production surveillance.* (1) After it has issued a certification report under paragraph (b) of this section, the IPIA shall carry out ongoing surveillance of the manufacturing process in the plant. The IPIA shall be responsible for conducting representative inspections to assure that the manufacturer is performing its quality control program pursuant to and consistent with its approved quality assurance manual and to assure that whatever part of a manufactured home is actually inspected by the IPIA is fully in conformance with the design and, as appropriate under paragraph (a)(1)(iii) of this section, with the standards before a label is issued for or placed on that manufactured home. The surveillance visits

shall commence no later than that date on which the IPIA determines they must commence so that the IPIA can assure that every manufactured home to be produced after the effective date of the standards to which a label provided for in paragraph (c)(2) of this section is affixed, is inspected in at least one stage of its production. The frequency of subsequent visits to the plant shall continue to be such that every manufactured home is inspected at some stage in its production. In the course of each visit, the IPIA shall make a complete inspection of every phase of production and of every visible part of every manufactured home which is at each stage of production. The inspection shall be made to the approved design except where the design is not specific with respect to an aspect of the standards, in which case the inspection of that aspect of the manufactured home shall be made to the standards. The IPIA shall assure that no label is placed on any manufactured home which it finds fails to conform with the approved design or, as appropriate, the standards in the course of these inspections and shall assure that no labels are placed on other manufactured homes still in the plant which may also not conform until those homes are inspected and if necessary corrected to the design or the standards. If an IPIA finds a manufactured home that fails to conform to the design, or as appropriate under paragraph (a)(1)(iii) of this section, to the standards, the IPIA may, in addition to withholding the label for the unit, proceed to red tag the home until the failure to conform is corrected. Only the IPIA is authorized to remove a red tag. When manufactured homes repeatedly fail to conform to the design, or as appropriate under paragraph (a)(1)(iii) of this section, to the standards in the same assembly station or when there is evidence that the manufacturer is ignoring or not performing under its approved quality assurance manual, the IPIA shall increase the frequency of these inspections until it is satisfied that the manufacturer is performing to its approved quality assurance manual. Failure to perform to the approved manual justifies withholding labels until an adequate level of performance

is attained. As part of its function of assuring quality control, the IPIA shall inspect materials in storage and test equipment used by the manufacturer at least once a month, and more frequently if unacceptable conditions are observed. With the prior approval of the Secretary, an IPIA may decrease the frequency of any inspections.

(2) *Labeling*—(i) *Labels required.* (A) The IPIA shall continuously provide the manufacturer with a two- to four-week supply (at the convenience of the IPIA and the manufacturer) of the labels described in this subsection, except that no labels shall be issued for use when the IPIA is not present if the IPIA is not satisfied that the manufacturer can and is producing manufactured homes which conform to the design and, as appropriate, to the standards. Where necessary, the IPIA shall reclaim labels already given to the manufacturer. In no event shall the IPIA allow a label to be affixed to a manufactured home if the IPIA believes that the manufactured home fails to conform to the design, or, where the design is not specific with respect to an aspect of the standards, to the standards. Labels for such manufactured homes shall be provided only after the failure to conform has been remedied, or after the Secretary has determined that there is no failure to conform.

(B) A permanent label shall be affixed to each transportable section of each manufactured home for sale or lease to a purchaser or lessor in the United States in such a manner that removal will damage the label so that it cannot be reused. This label is provided by the IPIA and is separate and distinct from the data plate that the manufacturer is required to provide under § 3280.5.

(C) The label shall read as follows:

“As evidenced by this label No. ABC 000 001, the manufacturer certifies to the best of the manufacturer's knowledge and belief that this manufactured home has been inspected in accordance with the requirements of the Department of Housing and Urban Development and is constructed in conformance with the Federal Manufactured Home Construction and Safety Standards in effect on the date of manufacture. See data plate.”

(D) The label shall be 2 in. by 4 in. in size and shall be permanently attached to the manufactured home by means of 4 blind rivets, drive screws, or other means that render it difficult to remove without defacing it. It shall be etched on .032 in. thick aluminum plate. The label number shall be etched or stamped with a 3 letter IPIA designation which the Secretary shall assign and a 6 digit number which the label supplier shall stamp sequentially on labels supplied to each IPIA.

(E) The label shall be located at the tail-light end of each transportable section of the manufactured home approximately one foot up from the floor and one foot in from the road side, or as near that location on a permanent part of the exterior of the manufactured home as practicable. The road-side is the right side of the manufactured home when one views the manufactured home from the tow bar end of the manufactured home. It shall be applied to the manufactured home unit in the manufacturing plant by the manufacturer or the IPIA, as appropriate.

(F) The label shall be provided to the manufacturer only by the IPIA. The IPIA shall provide the labels in sequentially numbered series. The IPIA may obtain labels from the Secretary or the Secretary's agent, or where the IPIA obtains the prior approval of the Secretary, from a label manufacturer. However, if the IPIA obtains labels directly from a label supplier, those labels must be sequentially numbered without any duplication of label numbers.

(G) Whenever the IPIA determines that a manufactured home which has been labeled, but which has not yet been released by the manufacturer may not conform to the design or, as appropriate under paragraph (a)(1)(iii) of this section, to the standards, the IPIA by itself or through an agent shall red tag the manufactured home. Where the IPIA determines that a manufactured home which has been labeled and released by the manufacturer, but not yet sold to a purchaser (as described in § 3282.252(b)) may not conform, the IPIA may, in its discretion, proceed to red tag the manufactured home. Only the IPIA is authorized to remove red tags, though it may do so through agents

which it deems qualified to determine that the failure to conform has been corrected. Red tags may be removed when the IPIA is satisfied, through inspections, assurances from the manufacturer, or otherwise, that the affected homes conform.

(H) Labels that are damaged, destroyed, or otherwise made illegible or removed shall be replaced by the IPIA, after determination that the manufactured home is in compliance with the standards, by a new label of a different serial number. The IPIA's labeling record shall be permanently marked with the number of the replacement label and a corresponding record of the replacement label.

(ii) *Label control.* The labels used in each plant shall be under the direct control of the IPIA acting in that plant. Only the IPIA shall provide the labels to the manufacturer. The IPIA shall assure that the manufacturer does not use any other label to indicate conformance to the standards.

(A) The IPIA shall be responsible for obtaining labels. Labels shall be obtained from HUD or its agent, or with the approval of the Secretary, from a label manufacturer. The labels shall meet the requirements of this section. Where the IPIA obtains labels directly from a label manufacturer, the IPIA shall be responsible for assuring that the label manufacturer does not provide labels directly to the manufacturer of manufactured homes. If the label manufacturer fails to supply correct labels or allows labels to be released to parties other than the IPIA, the IPIA shall cease dealing with the label manufacturer.

(B) The labels shall be shipped to and stored by the IPIA's at a location which permits ready access to manufacturing plants under its surveillance. The labels shall be stored under strict security and inventory control. They shall be released only by the IPIA to the manufacturer under these regulations.

(C) The IPIA shall be able to account for all labels which it has obtained through the date on which the manufactured home leaves the manufacturing plant, and it shall be able to identify the serial number of the manu-

factured home to which each particular label is affixed.

(D) The IPIA shall keep in its central record office a list of the serial numbers of labels issued from the label producer to the IPIA and by the IPIA to the manufacturing plant.

(E) Failure to maintain control of labels through the date the manufactured home leaves the manufacturing plant and failure to keep adequate records of which label is on which manufactured home shall render the IPIA subject to disqualification under § 3282.356.

(3) *Data plate.* (i) The IPIA shall assure that each manufactured home produced in each manufacturing plant under its surveillance is supplied with a data plate which meets the requirements of this section and of § 3280.5 of chapter XX of 24 CFR. The data plate shall be furnished by the manufacturer and affixed inside the manufactured home on or near the main electrical distribution panel. The data plate shall contain the following information:

(A) The name and address of the manufacturing plant in which the manufactured home was manufactured,

(B) The serial number and model designation of the unit and the date the unit was manufactured,

(C) The statement "This manufactured home is designed to comply with the Federal Manufactured Home Construction and Safety Standards in force at the time of manufacture.",

(D) A list of major factory-installed equipment including the manufacturer's name and the model designation of each appliance,

(E) Reference to the roof load zone and wind load zone for which the home is designed and duplicates of the maps as set forth in § 3280.305. This information may be combined with the heating/cooling certificate and insulation zone map required by §§ 3280.510 and 3280.511. The Wind Zone Map on the Data Plate shall also contain the statement:

This home has not been designed for the higher wind pressures and anchoring provisions required for ocean/coastal areas and should not be located within 1500' of the coastline in Wind Zones II and III, unless the

home and its anchoring and foundation system have been designed for the increased requirements specified for Exposure D in ANSI/ASCE 7-88.

(F) The statement:

This home has ____ has not ____ (appropriate blank to be checked by manufacturer) been equipped with storm shutters or other protective coverings for windows and exterior door openings. For homes designed to be located in Wind Zones II and III, which have not been provided with shutters or equivalent covering devices, it is strongly recommended that the home be made ready to be equipped with these devices in accordance with the method recommended in the manufacturers printed instructions.

(G) The statement: "Design Approval by", followed by the name of the agency that approved the design.

(ii) A copy of the data plate shall be furnished to the IPIA, and the IPIA shall keep a permanent record of the data plate as part of its labeling record so that the information is available during the life of the manufactured home in case the data plate in the manufactured home is defaced or destroyed.

(d) *Permanent records.* The IPIA shall maintain the following records as appropriate:

(1) Records of all labels issued, applied, removed, and replaced by label number, manufactured home serial number, manufactured home type, manufacturer's name, retailer destination, and copies of corresponding data plates.

(2) Records of all manufactured homes which are red tagged, and the status of each home.

(3) Records of all inspections made at each manufacturing plant on each manufactured home serial number, each failure to conform found, and the action taken in each case.

(4) Records of all inspections made at other locations of manufactured homes identified by manufacturer and serial number, all manufactured homes believed to contain the same failure to conform, and the action taken in each case.

All records shall specify the precise section of the standard which is in question and contain a clear and concise explanation of the process by which the IPIA reached any conclu-

sions. All records shall be traceable to specific manufactured home serial numbers and through the manufacturer's records to retailers and purchasers.

(5) Records of all site inspections made as required under procedures applicable to approval of AC or on-site completion pursuant to §§ 3282.14 or 3282.610.

(e) *Requirements for full acceptance—IPIA.* (1) Before granting full acceptance to an IPIA, the Secretary or the Secretary's agent shall review and evaluate at least one certification report which has been prepared by the IPIA during the period of provisional acceptance. The Secretary or the Secretary's agent shall also review in depth the IPIA's administrative capabilities and otherwise review the IPIA's performance of its responsibilities under these regulations.

(2) Where the Secretary determines on the basis of these reviews that an IPIA is not meeting an adequate level of performance, the Secretary or the Secretary's agent shall carry out further evaluations. If the Secretary finds the level of performance to be unacceptable, the Secretary shall not grant full acceptance. If full acceptance has not been granted by the end of the provisional acceptance period, provisional acceptance shall lapse unless the Secretary determines that the failure to obtain full acceptance resulted from the fact that the Secretary or the Secretary's agent has not had adequate time in which to complete an evaluation.

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§ 3282.363 Right of entry and inspection.

Each primary inspection agency shall secure from each manufacturer and manufacturing plant under its surveillance an agreement that the Secretary, the State Administrative Agency and the primary inspection agency have the right to inspect the plant and its manufactured home inspection, labeling, and delivery records, and any of its manufactured homes in the hands of retailers or distributors at any reasonable time.