

INDUSTRIALIZED HOUSING AND BUILDINGS

Commercial Builder's

Guide

Revised September 1, 2005



Texas Department of Licensing and Regulation

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Marginal Markings – Solid vertical lines within the right hand margins of the guide indicate revisions to the guide.

COMERCIAL BUILDER'S INSTALLATION GUIDE

The information in this document is provided as a guide to the requirements of the Industrialized Housing and Buildings (IHB) statute and rules, but is not intended as a replacement for the statute and rules. It is the responsibility of the industrialized builder to review the actual statute and rules to assure a complete understanding of the requirements of the IHB program as they relate to the functions of the builder.

Applicable Law and Rules

- Chapter 1202 of the Occupations Code, Industrialized Housing and Buildings, is the statute governing the IHB program
- Chapter 70, Industrialized Housing and Buildings (Department Rules), are the rules written to enforce the statute
- Chapter 51, Texas Department of Licensing and Regulation, is the enabling statute for the Department

Titling Requirements

There are no provisions in Chapter 1202 of the Occupations Code for titling of industrialized (modular) buildings.

Definitions

Section 1202.002 of the Occupations Code – Definition of Industrialized Building

Also reference Department rules 70.10 and 70.30

- **An industrialized building is a commercial structure that is**
 - Constructed in one or more modules or constructed using one or more modular components built at a location other than the permanent site
 - Designed to be used as a commercial building when the module or modular component is transported to the commercial site and erected or installed
- **An industrialized building includes the structure's plumbing, heating, air conditioning, and electrical systems**
- **An industrialized building includes a permanent commercial structure and a commercial structure designed to be transported from one commercial site to another commercial site**
- **An industrialized building does not include**
 - A commercial structure that exceeds three stories or 49 feet in height as measured from the finished grade elevation at the building entrance to the peak of the roof
 - A construction site office building that is not open to the public and is used as an office at a commercial site by a person constructing a building, road, bridge, utility, or other infrastructure or improvement in real property
 - A structure that is not installed on a permanent foundation and either is not open to the public or is less than 1,500 square feet in total area and is not used as a school or place of religious worship
 - A construction site building. A construction site building means a commercial structure that is not open to the public and that is used for any purpose at a commercial site by a person constructing a building, road, bridge, utility, or other infrastructure or improvement to real property
 - A structure that is specifically referenced in the mandatory building codes as exempt from permits

Department Rule 70.10 - Definitions

Reference the complete text of rule 70.10 for all definitions pertinent to the IHB program. The following definitions are those that pertain particularly to retailers and installers of industrialized buildings.

- **Industrialized builder** – A person who is engaged in the assembly, connection, and on-site construction and erection of modules or modular components at the building site or who is engaged in the purchase of industrialized housing or buildings or of modules or modular components from a manufacturer for sale or lease to the public; a subcontractor of an industrialized builder is not a builder for purposes of this chapter.
- **Installation permit** – A registration issued by the department to a person who purchases an industrialized house or building for his/her own use and who assumes responsibility for the installation of the industrialized house or building. A person who applies for an installation permit may not be engaged in the purchase of industrialized housing or buildings or of modules or modular components for sale or lease to the public. A subcontractor of an installation permit holder is not an industrialized builder for the purposes of this chapter.
- **On-site construction** – Preparation of the site, foundation construction, assembly and connection of the modules or modular components, affixing the structure to the permanent foundation, connecting the structures together, completing all site-related construction in accordance with designs, plans, specifications, and on-site construction documentation.
- **Permanent foundation system** – A foundation system for industrialized housing or buildings designed to meet the applicable building code as set forth in §§70.100, 70.101, and 70.102 of the Department rules.
- **Commercial structure** – An industrialized building classified by the mandatory building codes for occupancy and use groups other than residential for one or more families. The term shall not include a structure that is not installed on a permanent foundation and either is not open to the public or is less than 1,500 square feet in area and not used as a school or place of worship.
- **Permanent industrialized building** – An industrialized building that is not designed to be transported from one commercial site to another commercial site.
- **Sale, sell, offer to sell, or offer for sale** – Includes any contract of sale or other instrument of transfer of ownership of property, or solicitation to offer to sell or otherwise transfer ownership of property for an established price.
- **Site or building site** – A lot, the entire tract, subdivision, or parcel of land on which industrialized housing or buildings are sited.
- **Third party inspector** – An approved person or agency, private or public, determined by the council to be qualified by reason of facilities, personnel, experience, demonstrated reliability, and independence of judgment to inspect industrialized housing, buildings, and portions thereof for compliance with the approved plans, documentation, compliance control program, and applicable code.

Mandatory Building Codes

Reference sections 1202.151 and 1202.152 of the Occupations Code, Industrialized Housing and Buildings (IHB Law) and sections 70.100, 70.101 & 70.102 of the Department Rules governing Industrialized Housing and Buildings

Sections 1202.151 and 1202.152 of the Occupations Code – Building Codes

Section 1202.151 specifies the mandatory building codes adopted under the Texas IHB program. Section 1202.152 grants the Texas Industrialized Building Code Council (Council) the authority to adopt later editions of the mandatory building codes.

- The Texas Industrialized Building Code Council may adopt a later edition of the codes adopted in section 1202.151 of the Texas Occupations Code if the Council finds that the use of the amended code is

- o In the public interest
- o Consistent with the purposes of the statute

Department rule 70.100 – Mandatory Building Codes

Section 70.100 of the Department rules specifies the current mandatory building codes adopted for the Texas IHB program.

- Effective July 1, 2004 all industrialized housing and buildings, modules, and modular components, shall be constructed in accordance with the following codes
 - o National Fire Protection Association--National Electrical Code, 2002 Edition, including appendices
 - o The International Building Code, 2003 edition, including appendices C and F, published by the International Code Council (ICC)
 - o The International Fuel Gas Code, 2003 edition, published by the ICC
 - o The International Plumbing Code, 2003 edition, including appendices E, F, and G, published by the ICC
 - o The International Mechanical Code, 2003 edition, published by the ICC
 - o The International Residential Code, 2003 edition, including appendix K, published by the ICC

Department rule 70.101 – Amendments to Mandatory Building Codes

Section 70.101 of the Department rules requires the Council to consider and review all amendments to the mandatory building codes that are approved and recommended by ICC. This section also contains other amendments adopted by the Council.

- ICC amends the codes every year
 - o The Council determined that it was not in the public interest to adopt the code amendments every year
 - o Amended codes are adopted approximately every 3 years within 1 to 1 ½ years after the publication by ICC of the new code editions
- The Council considers other amendments to the Code that are recommended by building officials, the Department, or other interested parties
- Amendments are effective a minimum of 180 days following the date of the Council's approval or adoption of the amendment or at such a later date as set by the Council

Department rule 70.102 – Use and Construction of Codes

Section 70.102 sets guidelines for the use of the mandatory building codes

- Industrialized buildings are constructed to comply with the mandatory building codes in effect at the time of construction of the building
- Industrialized buildings are installed in accordance with the mandatory building codes in effect at the time of installation of the building
 - o The code in effect will be determined by the date construction begins on the installation site of the building

Registration, Renewals, and Responsibilities of Builder

Reference Sections 70.20, 70.75, and 70.78 of the Department rules governing Industrialized Housing and Buildings

- The registration of an industrialized builder shall be valid for 12 months and must be renewed annually
- A renewal notice will be mailed 60 to 90 days prior to the expiration date of the registration

- o The builder is responsible for renewing the registration even if a renewal notice is not received
 - o Failure to receive a renewal notice will not excuse a builder from late registration fees
- An industrialized builder must register each separate sales office but is not required to register each job location

Registration Process

- The application is date stamped upon receipt in accounting, where it takes approximately two to three working days to process
- The application is then forwarded to the IHB section. It takes two to three working days to process a COMPLETED application
 - o An application that does not contain all information requested or that is not signed by a person authorized to sign the application is not considered complete
 - o Corporations – application must be signed by officer of the corporation as indicated on the application
 - o Partnership – application must be signed by one of the managing partners as indicated on the application
 - o Sole Proprietorship – application must be signed by the sole proprietor
- If the applicant has criminal convictions, then the application is forwarded to enforcement for review and approval. Procedures and guidelines are on the Department's web site at <http://www.license.state.tx.us/crimconvict.htm>
- An information packet including forms, procedures, and a copy of the law and rules will be mailed along with your certificate of registration

Responsibilities of the Registered Builder

- A registered industrialized builder shall notify the department **in writing** within 10 days if
 - o The corporate or firm name is changed
 - o The main address of the registrant is changed
 - o There is a change in 25% or more of the ownership interest of the company within a 12-month period
 - o An industrialized builder transfers a module or modular component to another industrialized builder
- The builder must provide the customers with access to the name, mailing address and telephone number of the department for purposes of directing complaints [reference Department rule 70.78(b)]. The information shall be included on
 - o A sign prominently displayed in the place of business (this information is on your registration certificate)
 - o Any written contract for services
 - o Any bill for services
- The builder must have written proof that the information above was delivered to the purchaser (owner) and keep this information in the industrialized builder's files. A checklist of items received that is signed and dated by the purchaser (owner) would be acceptable evidence

Responsibilities of the Manufacturer to the Builder

- The manufacturer shall provide the industrialized builder the following information
 - o The name, Texas registration number, and address of the manufacturer of the building
 - o The location of the decal(s) or insignia on the modules or modular components
 - o A description of the location of the data plate and explanation of the information thereon

- o A set of approved plans as necessary to obtain a building permit
 - o The floor plan of the building and schematic drawings of the plumbing, electrical, and heating/ventilation systems for the owner of the building
 - o A completed signed copy of the energy compliance checklist [reference Department rule 70.70(c)(8)(C)]
 - o The name, address, and telephone number of the Department
- The manufacturer must have written proof that the information above was delivered to the industrialized builder and keep this proof in the manufacturer's files for a minimum of five years

Responsibilities of the Builder to the Owner

- The industrialized builder shall provide the purchaser (owner) of any industrialized house or building the following information
 - o The name, Texas registration number, and address of the manufacturer and industrialized builder
 - o A description of the location of the data plate and explanation of the information thereon
 - o The floor plan of the building and schematic drawings of the plumbing, electrical, and heating/ventilation systems
 - o A set of approved construction documents for the building as manufactured
 - o A set of approved construction documents for changes made to the building after leaving the manufacturing facility
 - o The location of the decal(s) or insignia on the module or modular components
 - o A site plan showing the on-site location of all utilities and utility taps
 - o A completed signed copy of the energy compliance checklist [reference Department rule 70.70(c)(8)(C)]
 - o The name, address, and telephone number of the Department
 - o The name, mailing address, and telephone number of the Department for purposes of directing complaints to the Department [reference Department Rule 70.78(b)]. The notification shall be included on
 - ✓ A sign prominently displayed at the place of business
 - ✓ Any written contract for services
 - ✓ Any bill for services
- The builder must have written proof that the information above was delivered to the purchaser (owner) and keep this proof in the industrialized builder's files. A checklist of items received that is signed and dated by the purchaser (owner) would be acceptable evidence

Builder Audits and Foundation Requirements

Reference sections 70.50(b) and 70.73 of the Department Rules governing Industrialized Housing and Buildings

Builder Audits - General

- Each industrialized builder shall keep records of all industrialized housing, buildings, modules, and modular components that were sold, leased, or installed
 - o These records shall be kept for a minimum of ten years from the date of successful completion of the final site inspection
 - o If the builder is not responsible for the installation of the building, then the records shall be kept for a minimum of five years from the date of sale of the building – hiring a

subcontractor to install a building does not relieve the builder from responsibility for the installation

- An annual audit of units sold, leased, or installed by the builder shall be conducted by the Department [see Appendix A for a sample Builder's audit]
- The audit will identify the modules or modular components by the name and Texas registration number of the manufacturer of each unit and the assigned Texas decal or insignia numbers and the corresponding identification, or serial, numbers as assigned by the manufacturer
- The builder shall report or provide the information to the Department for each unit identified in the audit within the timeframe set by the audit

Builder Audits – Information Provided by the Builder

The builder shall report or provide the following information to the Department.

- Evidence that the information required by Department rule 70.75 was delivered to the purchaser (owner) of the building. The builder must have written proof, such as a checklist signed by the purchaser (owner), that the information was delivered to the purchaser (owner) and provide this proof upon request of the Department
- The address where each unit was installed. If the building has not yet been installed, then the address where the unit is stored. If the builder is not responsible for the installation, then the address to where each unit was delivered
- The occupancy use of each building containing modules or modular components, i.e., classroom, office, church, bank, etc
- If the builder is not responsible for the installation provide either of the following
 - o The name and registration number of the builder who is responsible
 - OR
 - o The name and installation permit number of the installation permit holder who is responsible
- Where the builder is responsible for the installation and site work and the building is installed inside the jurisdiction of a municipality
 - o The builder shall report the name of the city responsible for the site inspections
 - o When requested, the builder shall also provide a copy of the foundation plans
- Where the builder is responsible for the installation and site work and the building is installed outside the jurisdiction of a municipality
 - o The builder shall provide a copy of the site inspection report for each unit
 - o When requested, the builder shall also provide a copy of the foundation plans

Characteristics of a Permanent Foundation

- The foundation and all related construction shall comply with the requirements of the mandatory building codes – reference Department rule 70.10 for the definition of a permanent foundation system
- The foundation system shall be capable of transmitting all design loads imposed by or upon the foundation and the attached building into the soil or bedrock without failure
- The structure is attached without the towing hitch, axles, brakes, wheels, and other parts of the chassis that only operate during transportation
- Ventilation and decay details shall comply with the requirements of the mandatory building codes
- The use of ground anchors is not approved

Characteristics of a Temporary Foundation

- The foundation and all related construction shall comply with the requirements of the mandatory building codes

- The use of ground anchors is approved for temporary foundations
- The structure may be attached with the towing hitch, axles, brakes, wheels, and other parts of the chassis that only operate during construction

Foundation Designs

- Must comply with the requirements of the International Building Code
 - Plans must indicate compliance with the mandatory building codes adopted under the Texas IHB program
 - Permanent foundation plans shall not require or use ground anchors
 - o Ground anchors are considered an alternate to the mandatory building codes
 - o The Council approves alternates to the mandatory building codes
 - o The Council has not approved ground anchors for permanent foundations
 - Temporary foundation designs with ground anchors shall include
 - o A soil investigation report prepared by a qualified engineer, or, if the exact site location is unknown, a description of the soil type for which the anchoring system is suitable
 - o Structural calculations and related plans prepared by a qualified engineer
 - o Specifications for adequate corrosion protection for the anchors and associated tie-down system
 - Drainage, crawl space access, and crawl space ventilation are all aspects of the foundation and installation of the building that must be addressed in the plans
 - The foundation shall be one of the following
 - o The typical provided by the manufacturer and approved by the Council approved third party
- Or**
- o A unique design from a Texas licensed engineer or architect (shall be sealed by engineer or architect)

General Installation Requirements

- Deed restrictions are applicable and may restrict the installation of an industrialized building in an area
- Site construction must be performed by persons licensed to do the work, i.e., plumbers, AC contractors, electricians
- Unique on site construction details must be designed by a Texas licensed engineer or architect

Municipal Authority

Reference sections 1202.251 and 1202.252 of the Occupations Code (IHB Statute) and see IHB Bulletin #04-001, Areas of Authority Belonging to a Municipality (appendix E)

Section 1202.251 of the Occupations Code – Reservation of Municipal Authority

Municipalities may not treat industrialized buildings differently from site built buildings. Municipal authority is specifically and entirely reserved to a municipality as follows

- Land use and zoning requirements
- Building setback requirements
- Side and rear yard requirements

- Site planning and development and property line requirements
- Subdivision control
- Landscape architectural requirements

Section 1202.252 of the Occupations Code – Municipal Regulation of Industrialized Housing and Buildings

Municipalities have the authority to require the following for all industrialized buildings installed within their jurisdiction.

- Require and review, for compliance with mandatory building codes, a complete set of construction documents
 - o Foundation design shall be approved by the city
- Require that local permits and licenses be obtained before construction begins
- Require that all modules bear an approved Texas decal
- Establish procedures for site inspections of industrialized housing

Site Inspections

Reference section 1202.203 of the Occupations Code, section 70.73 of the Department Rules governing Industrialized Housing and Buildings and the Building Site Inspection Program – a copy of the ***Building Site Inspection Program*** is provided in Appendix B.

Section 1202.203 of the Occupations Code – On-site inspections

- Municipalities are responsible for inspecting all construction involving industrialized buildings located within the jurisdiction of the municipality
- An approved third party inspector shall perform on-site inspections of industrialized housing and buildings outside the jurisdiction of a municipality

Who is responsible for site inspections?

- Inside the jurisdiction of a municipality
 - o Builder must contact the city for requirements for site inspections
 - o Inspections performed in accordance with procedures established by the city
 - o City may charge fees for the performance of site inspections or require that the builder contract with a Texas licensed engineer or architect for the inspection
- Outside the jurisdiction of a municipality
 - o Builder must contract with an approved third party inspector for all required inspections
 - o Approved third party inspectors include those registered with the IHB program and Texas licensed engineers and architects
 - o The industrialized builder may use a different third party inspector for different projects, but may not change the inspector (or inspection agency) for a project once started without written approval from the Department
 - o HUD, FHA, or licensed Real Estate Inspectors are not recognized as acceptable third party inspectors for the performance of site inspections for the IHB program

When are site inspections required outside the jurisdiction of a municipality?

A site inspection is

- Required for the first installation of permanent industrialized buildings

- Required for each installation of industrialized buildings designed to be moved from one commercial site to another commercial site unless the industrialized building is not installed on a permanent foundation and either
 - o Is not open to the public
- OR
- o Is less than 1,500 square feet in total area and not used as a school or place of religious worship
- Not required for the installation, on permanent foundations, of unoccupied industrialized buildings with a gross area of less than or equal to 400 square feet, such as communication equipment shelters, that area not also classified as a hazardous occupancy by the mandatory building code

What inspections are required on-site outside the jurisdiction of a municipality?

- Minimum of 3 inspection phases
 - o Foundation inspection – After forms are constructed, steel reinforcement is installed, but before concrete is poured
 - o Set Inspection – When the modules are connected and fastened to the foundation
 - o Final Inspection – When utility services are connected and tests are performed
- Reinspections may be required for inspection of corrective actions, if the inspector is unable to inspect all aspects during any inspection phase, or if the builder was not ready for the inspection
- System testing in accordance with the requirements of the mandatory building codes must be witnessed by the inspector
- Site inspections are documented on the "Site Inspection Report" form, form #TDLR 053ihb (see Appendix C)

Remedial Actions

Remedial actions for failure to have the site inspections performed as required by the law and rules are set out in the "Building Site Inspection Program" (see Appendix B).

Failure to comply with the remedial actions specified may result in administrative penalties of up to \$5,000 per violation per day.

Remedial action for failure to have site inspections – Foundation Inspection

Where a foundation inspection has not been performed, the industrialized builder or installation permit holder responsible for the installation shall be required to engage an engineer to evaluate and inspect the foundation system and prepare a report to the Department.

The industrialized builder or installation permit holder shall have the evaluation and inspection performed and the report submitted to the Department within the time frame set by the Department.

The engineer shall be licensed in Texas and qualified to evaluate and inspect foundations.

Engineer's Report:

The report shall include, as a minimum, the following.

- The site inspection report form, form #TDLR 053ihb [see appendix C]
- The engineer's name, Texas license number, and seal
- A description of the existing foundation, including the method used to determine the configuration of the foundation. As a minimum the engineer shall rely on inspection and observation, testimony, and testing, where deemed necessary, to evaluate the foundation
- The engineer's professional opinion as to whether the foundation is structurally adequate for the house or building at the location installed. Where necessary the report shall include recommendations to bring the foundation into compliance

- The engineer's professional opinion as to whether the foundation meets the requirements of the mandatory building code. Where necessary the report shall include recommendations to bring the foundation into compliance

Actions taken:

- The industrialized builder or installation permit holder shall take action to bring the foundation into compliance in accordance with the recommendations of the engineer who evaluated the foundation
- A time table, approved by the Department, shall be established for completing the construction required. Inspection of the work shall be by the engineer who evaluated the foundation
- An addendum to the evaluation report shall be prepared by the engineer showing successful completion of the construction
- The builder or installation permit holder shall submit the addendum to the Department within the time frame established for completing the construction
- Failure to have the foundation evaluation and corrective action completed and inspected within the time frame established by the Department may result in administrative penalties

NOTE: In addition to the remedial actions, subsequent failures to have foundation inspections may also result in administrative penalties of up to \$5,000 per violation per day.

Remedial action for failure to have site inspections – Set and/or Final Inspection

Where a set inspection or final inspection has not been performed, the industrialized builder or installation permit holder shall engage a registered Texas third party inspector or Texas licensed engineer or architect to perform the required inspections and prepare a written inspection report using form #TDLR 053ihb [see appendix C].

- The industrialized builder or installation permit holder shall have the inspections performed and the report submitted to the Department within the time frame set by the Department
- Failure to have the set and/or final inspection and corrective action completed within the time frame established by the Department may result in administrative penalties

NOTE: In addition to the remedial actions, subsequent failures to have set or final inspections performed may also result in administrative penalties of up to \$5,000 per violation per day.

For More Information

Web site

- **THE TEXAS DEPARTMENT OF LICENSING AND REGULATION** is the state's umbrella licensing agency, regulating diverse occupations and industries including Industrialized Housing and Buildings. Please visit the agency's web page at <http://www.license.state.tx.us> for additional information about TDLR

For additional information about Industrialized Housing and Buildings see below

- **INDUSTRIALIZED HOUSING AND BUILDINGS LAW:** To view the Industrialized Housing and Buildings governing statute visit <http://www.license.state.tx.us/ihb/ihblaw.htm>
- **INDUSTRIALIZED HOUSING AND BUILDINGS RULES:** To view the rules promulgated under the Industrialized Housing and Buildings Law visit <http://www.license.state.tx.us/ihb/ihbrules.htm>
- **INDUSTRIALIZED HOUSING AND BUILDINGS FORMS:** To view the list of forms for Industrialized Housing and Buildings visit <http://www.license.state.tx.us/ihb/ihbforms.htm>
- **FREQUENTLY ASKED QUESTIONS:** To view a list of the frequently asked questions for Industrialized Housing and Buildings visit <http://www.license.state.tx.us/ihb/ihbfaq.htm>

- **INDUSTRIALIZED HOUSING AND BUILDINGS PROGRAM PAGE:** There are many other items on the Industrialized Housing and Buildings program page that you might find of interest. To view this page visit <http://www.license.state.tx.us/ihb/ihb.htm>
- **SEARCH OR DOWNLOAD LISTS OF VARIOUS INDUSTRIALIZED HOUSING AND BUILDINGS REGISTRANTS:**
<http://www.license.state.tx.us/databases.htm#ihblists>
- **VIEW THE LIST OF THE AGENCY'S ENFORCEMENT ACTIONS**
<http://www.license.state.tx.us/cimsfo/fosearch2.asp>
- **LINKS TO OTHER GOVERNMENT AGENCIES AND PROGRAMS**
<http://www.license.state.tx.us/links.htm>

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- To be e-mailed updates on changes to the IHB program visit our web site at: www.license.state.tx.us. Look to your right and click on "[Updates and Information by e-mail](#)" and follow the instructions for subscribing
- You may also subscribe to email notifications for any of the other statutes regulated by the Texas Department of Licensing and Regulation

How to Reach Us

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Other

- For information about, or to purchase a copy of the codes adopted under the IHB program, contact the International Code Council (ICC) at <http://www.iccsafe.org/index.html>
- For information concerning the requirements of the Texas Engineering Practice Act, or to find an engineer licensed in Texas, go to <http://www.tbpe.state.tx.us/>
- For information concerning the requirements of the statute regulating the practice of Architecture, or to find an architect licensed in Texas, go to <http://www.tbae.state.tx.us/active/home.html>
- For information about REScheck (energy compliance software from the Department of Energy) go to <http://www.energycodes.gov/>
- For information about manufactured housing – (800) 500-7074, (512) 475-2200, or <http://www.tdhca.state.tx.us/mh/index.htm>

Appendices

The following appendices contain information that describes and clarifies the requirements of the Texas IHB program as it relates to the installation of industrialized housing.

Appendix A – Sample Builder's audit (4 pages)

Appendix B – Building Site Inspection Program (6 pages) *[revised May 2005, effective June 1, 2005]*

Appendix C – Building Site Inspection Report Form, form #TDLR 053ihb (2 pages)
[revised April 2005]

Appendix D – What Every Builder Should Know, form #TDLR 048ihb (3 pages)

Appendix E – Bulletin 04-001, Areas of Authority Belonging to a Municipality – Industrialized Buildings, form #TDLR 060ihb (3 pages)

Appendix F – Frequently Asked Questions (4 pages) *[revised August 2005]*

Appendix G – Bulletin #97-001, form #TDLR 033ihb (3 pages)

Appendix A – Sample Audit



TEXAS DEPARTMENT OF LICENSING AND REGULATION

Industrialized Housing & Buildings Program

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«Audit_Date_05»

«Audit_Contact»

«Name»

«Mailing1»

«Mailing2»

RE: Builder's Audit IHB-«IHB_»

Dear Registrant:

In accordance with Department Rule 70.50, an audit of units reported as sold to «Name» is being conducted. Please review the attached report and complete the information for the sections indicated below. The completed report must be submitted to the Department no later than **«FirstNoticeDue»**.

For modular units installed outside the city limits AFTER MAY 17, 2004 please provide the following:

On a permanent foundation:

- A. A copy of the foundation plans** as designed by the manufacturer or as designed and stamped by a Texas professional engineer or architect. (Please reference §70.70 (e) of the IHB Rules).
- B. A copy of the site inspection** done by one of the following: (Please reference § 70.73(b) of the IHB Rules).
 - 1. A professional engineer or architect.
 - 2. A third party inspector licensed by this department.

NOTE: A site inspection is not required of unoccupied buildings installed on permanent foundations with a gross area of less than or equal to 400 square feet, such as communication equipment shelters that are not classified as a hazardous occupancy by the mandatory building code.

On a temporary foundation:

- A. A copy of the site inspection report** done by one of the following: (Please reference § 70.73(b) of the IHB Rules).
 - 1. A professional engineer or architect.
 - 2. A third party inspector licensed by this department.

NOTE: A site inspection is not required if the building is not installed on a permanent foundation and either:

- A.** Is not open to the public, or
- B.** Is less than 1500 square feet in total area and is not used as a school or a place of religious worship.

After completion of the audit, for units installed outside the jurisdiction of a municipality **PRIOR TO MAY 17, 2004** the Department may request:

- A. A Copy of the foundation plans as designed by the manufacturer or as designed and stamped by a Texas professional engineer or architect. (permanent and temporary foundations).
- B. A copy of the site inspection done by one of the following: (permanent only).
 - 1. A professional engineer or architect.
 - 2. A third party inspector licensed by this department.

The engineer or architect must use the site inspection form (TDLR 03ihb 10/02) that was mailed along with your registration or it can be downloaded from the website at:

<http://www.license.state.tx.us/ihb/ihb.htm>.

Failure to comply with any of the above information may result in a penalty of \$5000 maximum per violation.

Instructions on filling out the form are found on the back of the audit. If you have any questions or if I may be of any assistance please call me at (512) 463-7353 or email me at katherine.vaughan@license.state.tx.us.

Sincerely yours,

A handwritten signature in cursive script that reads "Katherine Vaughan".

Katherine Vaughan, Program Specialist
Industrialized Housing & Buildings

Texas Department of Licensing and Regulation

PO Box 12157, Austin, TX 78711 (512) 463-7353 [(800) 803-9202 - In Texas Only] FAX: (512) 475-4364

Internet address: www.license.state.tx.us; Email address: industrialized.buildings@license.state.tx.us

INDUSTRIALIZED HOUSING AND BUILDINGS

AUDIT REPORT

«Audit_Date_05»

(see back of audit for instructions)

Section I

Builder's Name: «Name»	IHB# «IHB_»
Address: «Address»	
City, State and Zip: «Expr1»	
Form Completed By (please print):	Phone:

Section II

A. Manufacturer's Name & Registration #	B. Decal or Insignia Number	C. Unit ID Number (Serial #)	D. Size in Square foot	E. Mo/Yr unit installed	F. Destination Information – <i>COMPLETE ADDRESS</i>	G. Type of Structure	H. Type of Installation	I. Site work inspected by city? (yes, no)
IHM-991, ACME Structures	90001	47002						
IHM-991, ACME Structures	90002	26403						
IHM-991, ACME Structures	90003	25603						
IHM-991, ACME Structures	99009	25604						
IHM-930, Modular Manufactures	99010	1521-A						
IHM-930, Modular Manufactures	99011	1521-B						
IHM-930, Modular Manufactures	99012	1521-C						

Instructions for completing the audit:

Section I:

Form Completed By: Enter the name and phone number of the person completing the form.

Section II: (A – D are provided)

E. Month & Year Installed: If the unit(s) were installed, enter the month and year unit was installed.

F. Destination Information: If the unit(s) were installed, enter the name of the recipient and the complete address where unit(s) were installed. If in storage, please indicate **"Storage"**. If you did not receive the unit(s) please verify with the manufacturer, then enter **"Did not Receive"** in this section.

G. Type of Structure: The use of the module, i.e., restaurant, school building, classroom, office, single-family residence, equipment shelter, etc.

H. Type of Installation:

1. enter the type of foundation system, either permanent or temporary, **OR**
2. If you are not responsible for the installation, enter the builder registration number or installation permit number of the person responsible. The Department issues these numbers; (please reference Department rule 70.73 Responsibilities of the Registrants – Building Site Inspections)

I. Site work done by city: Answer yes or no if the site inspection was performed by the city.

1. **Yes**, within the city - When the building site is within a municipality that has a building inspection agency or department, the local building official will inspect all on-site construction done at the site and the attachment of the structure to the permanent foundation to assure completion and attachment in accordance with the design package, the on-site construction documentation, and any unique foundation system or on-site detailed drawings. **Reference §70.73(a) of the IHB Rules.**
2. **No**, outside the city - When the building site is outside a municipality, or within a municipality that has no building department or agency, a third party inspector will perform the required inspections. The on-site inspection is normally accomplished in three phases: foundation inspection, set inspection, and final inspection. The builder, or installation permit holder, is responsible for scheduling each phase of the inspection with the third party inspector. Additional inspections will be scheduled as required for larger structures and to correct discrepancies. **Reference §70.73(b) of the IHB Rules.**

NOTE: For units installed outside the corporate limits of a city, a site inspection is not required in the following cases:

- A. If the building is not installed on a permanent foundation and either:
 - a. Is not open to the public, or
 - b. Is less than 1500 square feet in total area and is not used as a school or a place of religious worship, or
- B. Of unoccupied buildings on permanent foundations with a gross area of less than or equal to 400 square feet, such as communication equipment shelters that are not classified as a hazardous occupancy by the mandatory building code.

Appendix B – Building Site Inspection Program



TEXAS DEPARTMENT OF LICENSING AND REGULATION
COMPLIANCE DIVISION – INDUSTRIALIZED HOUSING AND BUILDINGS

P.O. Box 12157 • Austin, Texas 78711 • (512) 463-7353 • (800) 803-9202 • FAX (512) 475-4364
industrialized.buildings@license.state.tx.us • www.license.state.tx.us

Building Site Inspection Program

Revised: May 10, 2005 – Effective: June 1, 2005

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Marginal Markings – Solid vertical lines within the right hand margins of the procedures indicate a revision from the previous procedures.

REFERENCES

- (a) A person responsible for the installation of an industrialized house or building should be familiar with Texas Occupations Code, Chapter 1202, Industrialized Housing and Buildings; Chapter 70, Industrialized Housing and Buildings Rules; and the mandatory building codes.
- (b) Specific sections of Texas Occupations Code, Chapter 1202, that are applicable to building site inspections include, but are not limited to, the following:
 - (1) § 1202.203, On-site Inspections;
 - (2) § 1202.251, Reservation of Municipal Authority;
 - (3) § 1202.252, Municipal Regulation of Industrialized Housing and Buildings; and
 - (4) § 1202.253, Municipal Regulation of Single-Family and Duplex Industrialized Housing.
- (c) Specific sections of the rules governing Industrialized Housing and Buildings that are applicable to building site inspections include, but are not limited to, the following:
 - (1) § 70.50, Manufacturer's and Builder's Monthly Reports
 - (2) § 70.62, Responsibilities of the Local Building Official – Building Site Inspections;
 - (3) § 70.70(d) through (f), Responsibilities of the Registrants – Manufacturer's Design Package;
 - (4) § 70.73, Responsibilities of the Registrants – Building Site Inspections;
 - (5) § 70.100, Mandatory Building Codes;
 - (6) § 70.101, Amendments to Mandatory Building Codes; and
 - (7) § 70.102, Use and Construction of Codes.

PURPOSE

Site inspections of industrialized housing and buildings are performed to assure that:

- (a) the site work is completed in accordance with the Texas Industrialized Building Code Council (Council) approved or unique on-site documentation and all applicable codes;
- (b) unique foundation designs and on-site details used have been approved by a Texas registered engineer or architect; and
- (c) all tests required by approved on-site documentation and mandatory building codes are performed.

FOUNDATIONS

- (a) **General** – All foundations shall be designed and constructed in accordance with the mandatory building codes. A permanent foundation system is one that is designed to meet the applicable building code as set forth in department rules 70.100 and 70.101.
- (b) **Permanent Foundations** – Industrialized housing is required by law to be installed on a permanent foundation. If the manufacturer's typical foundation is not suitable for a specific site, then the foundation shall be designed by a Texas licensed engineer or architect. The use of ground anchors is not approved for permanent foundations.
- (c) **Temporary Foundations (not approved for industrialized housing)** – The Council has approved, as an alternate to the mandatory building codes, the use of ground anchors for temporary, or non permanent, foundations of commercial buildings subject to the approval of, or acceptance by, the local authorities. The plans and specifications for a temporary foundation system shall include:
 - (1) a soil investigation report prepared by a qualified engineer; or, if the exact site location is unknown, a description of the soil type for which the anchoring system is suitable;
 - (2) structural calculations and related plans prepared by a qualified engineer; and
 - (3) specifications for adequate corrosion protection for the anchors and associated tie-down system.

HOUSING AND BUILDINGS INSTALLED OUTSIDE THE JURISDICTION OF A MUNICIPALITY

- (a) A site inspection is:
 - (1) required for the first installation of industrialized housing and permanent industrialized buildings;
 - (2) required for each installation of industrialized buildings designed to be moved from one commercial site to another commercial site unless the industrialized building is not installed on a permanent foundation and either:
 - (A) is not open to the public; or
 - (B) is less than 1500 square feet in total area and not used as a school or place of religious worship; and
 - (3) not required for the installation, on permanent foundations, of unoccupied industrialized buildings with a gross area of less than or equal to 400 square feet, such as communication equipment shelters, that are not also classified as a hazardous occupancy by the mandatory building code.
- (b) **Inspection personnel** – Site inspections of IHB units shall be performed by a Texas registered third party inspector or Texas licensed engineer or architect. A list of Texas approved third party inspectors is available from the Department and may be downloaded from the agency's web site at <http://www.license.state.tx.us/databases.htm#ihblists>. The industrialized builder, or installation permit holder, may use a different inspector for different projects, but may not change the inspector for a project once started without the written approval of the Department.
- (c) **Scheduling of inspections** – The industrialized builder, or installation permit holder, shall schedule site inspections to assure that construction is observed in at least the following phases. Additional inspections shall be scheduled as required for larger structures or projects and to inspect construction performed to correct discrepancies. The final inspection shall be completed within 180 days of the start of construction. The Department may grant an extension upon receipt of a written request that demonstrates a justifiable cause.
 - (1) **Foundation** – After forms are constructed, steel reinforcement is installed, but before concrete is poured.

- (2) **Set Inspection** – When the modules or modular components are connected and fastened to the foundation.
- (3) **Final inspection** – When utility services are connected and tests are performed.

HOUSING AND BUILDINGS INSTALLED WITHIN THE JURISDICTION OF A MUNICIPALITY

- (a) The industrialized builder, or installation permit holder, must contact the local building official, or building inspection Department, for a site inspection. A municipality, or other local political subdivision, may not require or enforce any amendments to the mandatory building codes as a prerequisite for granting or approving any local building or construction permits or certificates of occupancy except as provided in paragraph (c) below. A municipality, or other local political subdivision, may enforce local land use and zoning requirements, building setback requirements, side and rear yard requirements, site planning and development and property line requirements, subdivision control, and landscape architectural requirements, and any other requirements not in conflict with the IHB law or any other state law. A municipality that regulates the on-site construction or installation of industrialized housing and buildings may:
 - (1) require and review, for compliance with mandatory construction codes, a complete set of designs, plans, and specifications bearing the council's stamp of approval for each installation of industrialized housing or buildings in the municipality;
 - (2) require that all applicable local permits and licenses be obtained before construction begins on a building site;
 - (3) require that all modules or modular components bear an approved decal or insignia;
 - (4) establish procedures for the inspection of the erection and installation of industrialized housing or buildings to ensure compliance with the mandatory building codes and commission rules; and
 - (5) establish procedures for the inspection of all foundation and other on-site construction, to ensure compliance with the approved designs, plans, and specifications.
- (b) A municipality may also require a final inspection or test in accordance with the mandatory building codes and correction of any deficiency identified by the test or discovered in the final inspection.
- (c) Municipalities may also adopt regulations that require single-family or duplex industrialized housing to:
 - (1) have a value equal to or greater than the median taxable value for each dwelling located within 500 feet of the lot where the industrialized house is to be located;
 - (2) have exterior siding, roofing, roofing pitch, foundation fascia, and fenestration compatible with the dwellings located with 500 feet of the lot where the industrialized house is to be located;
 - (3) comply with municipal aesthetic standards, building setbacks, side and rear yard offsets, subdivision control, architectural landscaping, square footage, and other site requirements applicable to dwellings; or
 - (4) be securely fastened to a permanent foundation.

REMEDIAL ACTIONS

- (a) **Remedial action for failure to have industrialized housing installed on a permanent foundation.** In addition to the remedial action described below, subsequent failures to have industrialized housing installed on a permanent foundation may also result in administrative penalties.
 - (1) Where an industrialized house has not been installed on a permanent foundation, or the foundation does not comply with the requirements of the mandatory building code, the industrialized builder or installation permit holder responsible for the foundation and installation shall be required to engage

an engineer to evaluate and inspect the foundation system. The engineer shall prepare a report to the Department detailing recommendations for bringing the foundation into compliance with the requirements of the IHB program for a permanent foundation and with the requirements of the mandatory building code. The industrialized builder or installation permit holder shall have the evaluation and inspection performed and the report submitted to the Department within the time frame set by the Department. The engineer shall be licensed in Texas and qualified to evaluate and inspect foundations. The report shall include, as a minimum, the following:

- (A) the engineer's name, license number, and seal;
 - (B) the name, address, and registration number of the industrialized builder, or the name, address, and installation permit number of the permit holder;
 - (C) the installation address of the industrialized house;
 - (D) the serial numbers assigned by the manufacturer to the modules that make up the industrialized house;
 - (E) the Texas decal numbers of the decals affixed to the modules that make up the industrialized house;
 - (F) a description of the existing foundation; and
 - (G) the engineer's professional opinion and recommendations of what steps need to be taken to bring the foundation into compliance.
- (2) The industrialized builder or installation permit holder shall take action to bring the foundation into compliance in accordance with the recommendations outlined in the engineer's report and as approved by the Department. A time table approved by the Department shall be established for completing the construction required. Inspection of the work shall be performed by the engineer who evaluated the foundation. An addendum to the evaluation report shall be prepared by the engineer showing successful completion of the construction. The builder or installation permit holder shall submit the addendum to the Department within the time frame established for completing the construction.
- (3) Failure to have the foundation evaluation and corrective construction completed and inspected within the time frame established by the Department may result in administrative penalties.

(b) **Remedial action for failure to have site inspections performed.** *(Revision approved by Texas Industrialized Building Code Council on March 31, 2005)* In addition to the remedial action described below, subsequent failures to have site inspections performed may also result in administrative penalties.

- (1) Where a foundation inspection has not been performed, the industrialized builder or installation permit holder responsible for the installation shall be required to engage an engineer to evaluate and inspect the foundation system and prepare a report to the Department. The industrialized builder or installation permit holder shall have the evaluation and inspection performed and the report submitted to the Department within the time frame set by the Department. The engineer shall be licensed in Texas and qualified to evaluate and inspect foundations. The report shall include, as a minimum, the following:
- (A) the site inspection report, form #'s TDLR 053ihb and 067ihb (IRC residential installations only);
 - (B) the engineer's name, license number, and seal;
 - (C) a description of the existing foundation, including the method used to determine the configuration of the foundation. As a minimum the engineer shall rely on inspection and observation, testimony, and testing, where deemed necessary, to evaluate the foundation;

- (D) the engineer's professional opinion as to whether the foundation is structurally adequate for the house or building at the location installed. Where necessary the report shall include recommendations to bring the foundation into compliance; and
 - (E) the engineer's professional opinion as to whether the foundation meets the requirements of the mandatory building code. Where necessary the report shall include recommendations to bring the foundation into compliance.
- (2) The industrialized builder or installation permit holder of the house or building shall take action to bring the foundation into compliance in accordance with the recommendations of the engineer who evaluated the foundation. A time table, approved by the Department, shall be established for completing the construction required. Inspection of the work shall be by the engineer who evaluated the foundation. An addendum to the evaluation report shall be prepared by the engineer showing successful completion of the construction. The builder or installation permit holder shall submit the addendum to the Department within the time frame established for completing the construction.
 - (3) Where a set inspection or final inspection has not been performed, the industrialized builder or installation permit holder shall engage a registered Texas third party inspector or Texas licensed engineer or architect to perform the required inspections and prepare a written inspection report on form #'s TDLR 053ihb, TDLR 067ihb (IRC residential installations only), and TDLR 068ihb (IRC residential installations only). The industrialized builder or installation permit holder shall have the inspections performed and the report submitted to the Department within the time frame set by the Department.
 - (4) Failure to have the foundation evaluation or set and final inspection completed within the time frame set by the Department may result in administrative penalties.

REPORTING TO THE DEPARTMENT

- (a) **Industrialized builders** – Records of industrialized housing, buildings, modules, and modular components that were sold, leased, or installed shall be kept for a minimum of ten years from the date of successful completion of the final site inspection and shall be made available to the Department upon request. If the builder is not responsible for the installation, then the records shall be maintained for a period of five years from the date of sale or lease and shall be made available to the Department upon request. An annual audit of units sold, leased, or installed by the builder shall be conducted by the Department. The audit will identify the modules or modular components by the name and Texas registration number of the manufacturer of each unit and the assigned Texas decal or insignia numbers and the corresponding identification, or serial, numbers as assigned by the manufacturer. The builder shall report or provide the following information to the Department for each unit identified in the audit, within the time frame set by the audit.
 - (1) Evidence of compliance with Department rule 70.75 (relating to Responsibilities of the Registrants – Permit/Owner Information).
 - (2) The address where each unit was installed. If the builder is not responsible for the installation, then the address to where each unit was delivered.
 - (3) The occupancy use of each building containing modules or modular components, i.e., classroom, restaurant, bank, equipment shelter, etc.
 - (4) If the builder is responsible for the installation and site work, then the builder shall:
 - (A) for units installed outside the jurisdiction of a municipality, keep a copy of the foundation plans and the site inspection report and provide a copy to the Department upon request.

- (B) if installed within the jurisdiction of a municipality, provide the name of the city responsible for the site inspection. The Department may also request a copy of the foundation plan as part of the audit.
- (5) If the builder is not responsible for the installation and site work, or if the builder has transferred the ownership of the unit to another person, then the builder shall provide identification of the installation permit number, assigned by the Department, or the builder registration number, assigned by the Department, of the person responsible.
- (b) **Installation permit holder** – A person who purchases an industrialized house or building from a manufacturer or industrialized builder for their own use and who assumes responsibility for the installation of the industrialized house or building may file for an installation permit from the Department in lieu of registering as an industrialized builder. A person who buys industrialized housing or buildings for sale or lease to the public may not file for an installation permit. The installation permit holder swears at the time of filing for the permit that the foundation and installation of all units will be constructed in accordance with the mandatory building codes, the engineered plans, and the commission rules, and that a site inspection will be performed in accordance with the site inspection procedures established by the Council. An installation permit holder shall keep a copy of the foundation plans, and for units installed outside the jurisdiction of a municipality, a copy of the site inspection report for a period of ten years from the date of successful completion of the final inspection. A copy of these records shall be provided to the Department upon request.

INSPECTION REPORTS

(Revision approved by Texas Industrialized Building Code Council on March 31, 2005)

- (a) The inspector (either a Texas registered third party inspector or Texas licensed engineer or architect) shall provide the builder or permit holder a completed copy of the site inspection report. The site inspection report shall include the following forms – copies of these forms may be downloaded from the agency's web site at <http://www.license.state.tx.us/ihb/ihbforms.htm>.
 - (1) TDLR form #053ihb, Site Inspection Report Form – for both commercial and residential installations
 - (2) TDLR form #067ihb, Residential Site Inspection Checklist for Industrialized Housing-General, Foundation, and Structural – IRC residential installations only
 - (3) TDLR form #068ihb, Residential Site Inspection Checklist-Energy, Mechanical, Plumbing, Gas, and Electrical Work Performed at the Installation Site – IRC residential installations only.
- (b) The inspector shall keep a copy of the inspection report for a minimum of five years from the date of successful completion of the final inspection. The builder or permit holder shall keep a copy of the inspection report in their files for a minimum of 10 years from the date of successful completion of the final inspection.

DEED RESTRICTIONS

Texas Occupations Code, Chapter 1202, Industrialized Housing and Buildings, does not affect the validity of any deed restriction that is otherwise valid.

Appendix C – Building Site Inspection Report Form



Texas Department of Licensing and Regulation

Industrialized Housing & Buildings Program

P.O. Box 12157 Austin, Texas 78711 (512)463-7353 (800)803-9202 FAX (512)475-4364
Email Address: industrialized.buildings@license.state.tx.us Internet Address: www.license.state.tx.us

SITE INSPECTION REPORT

Site inspections of industrialized housing and buildings located outside the corporate limits of a city or within a municipality that has no inspection agency shall be performed by a licensed Texas architect or engineer or by a Third Party Inspector registered by this Department. Department rule 70.73(b) requires the inspector to provide the industrialized builder or installation permit holder a site inspection report containing the following information.

Inspection performed by (check one):

☐ IHB TPIA Reg. #IHA- _____

Name of IHB Third Party Inspection Agency

☐ Licensed Texas Engineer (affix seal)

License # _____

☐ Licensed Texas Architect (affix seal)

License # _____

Manufacturer's Name: _____ Reg #IHM- _____

Builder's Name _____
(Retailer/Installer): _____ Reg #IHB- _____

OR Installation Permit Holder Name: _____ Installation Permit #: _____

Texas Decal or Insignia Number(s): _____

Manufacturer's Serial or ID Number(s): _____

Owner's Name and Address: _____

Installation Address: _____

Construction of the foundation, installation, and other site construction related to the building meets the following mandatory building codes (check one):

☐ 2000 IBC, IMC, IPC, IFGC, IECC with 2001 Supplement, 1994 TAS, and 1999 NEC ☐ 2000 IRC with 2001 Supplement and 1999 NEC

☐ 2003 IBC, IMC, IPC, IFGC, IECC, 1994 TAS, and 2002 NEC (effective July 1, 2004) ☐ 2003 IRC and 2002 NEC (effective July 1, 2004)

Occupancy Group: _____ Construction Type: _____

Enter dates of all inspections performed below – do not complete this section if report is part of a remedial foundation evaluation in accordance with the procedures outlined in the "Building Site Inspection Program":

Inspection	Inspection Date	Inspection	Inspection Date	Name of Inspector and, for IHB TPI's, IHI#	Signature of Inspector
Foundation		Reinspection			
Set		Reinspection			
Inspection		Reinspection			
Final		Reinspection			
inspection		Reinspection			

☐ Additional reinspections required – see attached report.

☐ Remedial site inspection

THIS FORM CONTINUED ON BACK.

Site Inspection Report

Enter tests observed and date of test below

Test Observed	Date of Test	Test Observed	Date of Test

Check one:

- ☐ No deviations observed
- ☐ Deviation report attached. Report of deviations observed to approved plans, unique site completion documentation, or mandatory codes is attached. Report shall include the date each deviation was observed, a description of the each deviation observed, a description of the corrective action taken, and the date corrected.
- ☐ Remedial foundation evaluation report attached

Instructions for Completing Report

Check if inspection is performed under supervision of a Texas IHB third party inspection agency, Texas licensed engineer, or Texas licensed architect. Provide registration and license number of agency, engineer, or architect. If engineer or architect, affix seal.

Enter the manufacturer's name and registration number. Information may be obtained from the data plate* on the building.

Enter the industrialized builder's (builder) name and registration number. Alternately, enter the installation permit number and name of the permit holder. Installation permits are issued by the Department.

Enter the Texas decal or insignia number of each unit that comprises the building. This information may be obtained from the data plate* on the building.

Enter the manufacturer's serial or identification number of each unit that comprises the building. This information may be obtained from the data plate* on the building.

Enter the owner's name and address.

Enter the installation address.

Check the codes that the construction meets. Construction begun on or after July 1, 2004 must comply with the applicable 2003 International Codes and with the 2002 NEC.

Enter the occupancy group for the building. This information may be obtained from the data plate* on the building.

Enter the construction type of the building. This information may be obtained from the data plate* on the building.

Enter the date of each inspection performed, the name and signature of the inspector, and, if a Texas IHB third party inspector, the IHI registration number. Complete only for inspections observed. Complete for a remedial reinspection, but do not complete this section if report is part of a remedial foundation evaluation. Check box if remedial site inspection (reference "Building Site Inspection Program").

1. Foundation – After forms are constructed, steel reinforcement installed, but before concrete is poured.
2. Set inspection – When modules or modular components are connected and fastened to foundation.
3. Final inspection – When utility services are connected and tests are performed.

Re-inspections may be required for inspection of corrections, if the inspector is unable to inspect all aspects during the foundation, set, or final inspection, or if the builder wasn't completely ready for the foundation, set, or final inspection. If more than one reinspection is required for each phase of a site inspection, then check the applicable box and attach a report with dates of additional reinspections. Be sure to include the name of the inspector responsible for the reinspection and other information as necessary to identify the report as an addendum to this report.

Enter a description of each test observed and the date observed.

Check either "No deviations observed," "Deviation report attached," or "Remedial foundation evaluation report attached."

If "Deviation report attached" is checked, then attach a report describing the deviations to the approved plans, unique site completion documentation, or mandatory building codes. Report must describe the deviation, the date of the deviation, reference the document or code reference with which it must comply, the description of the corrective action taken to correct the deviation, and the date corrected. Be sure to include the name of the inspector responsible for the inspection and other information as necessary to identify the report as an addendum to this report.

If "Remedial foundation evaluation report attached" is checked, then attach evaluation report from engineer on foundation (reference "Building Site Inspection Program"). Be sure to include information as necessary to identify the report as an addendum to this report.

*The location of the data plate on the building is required to be shown on the floor plan or cover sheet of the plan set for the house or building.

Appendix D – What Every Builder Should Know



TEXAS DEPARTMENT OF LICENSING AND REGULATION

P.O. Box 12157 Austin, Texas 78711 (512)463-7353 (800)803-9202 FAX (512)475-4364
Email Address: industrialized.buildings@license.state.tx.us Internet Address: www.license.state.tx.us

INDUSTRIALIZED HOUSING AND BUILDINGS BULLETIN #01-001 Revised October 6, 2004

WHAT EVERY INDUSTRIALIZED BUILDER SHOULD KNOW

DEFINITION OF AN INDUSTRIALIZED BUILDER [reference Department rule 70.10(a) (14)]

An industrialized builder is defined as "a person who is engaged in the assembly, connection, and on-site construction and erection of modules or modular components at the building site or who is engaged in the purchase of industrialized housing or buildings or of modules or modular components from a manufacturer for sale or lease to the public; a subcontractor of an industrialized builder is not a builder for purposes of these sections."

REGISTRATION [Reference department rules 70.20 and 70.78]

1. The builder must notify the department within 10 days of any changes in information regarding the location or ownership of the registrant.
2. Provide the customers with access to the name, mailing address, and telephone number of the department for purposes of directing complaints to the department. The information shall be included on:
 - (a) a sign prominently displayed in the place of business
 - (b) any written contract for services
 - (c) any bill for services
3. The registration is valid for 12 months and must be renewed annually. Each separate sales office, or leasing office, must be registered.

FOUNDATIONS [reference Occupations Code, Chapter 1202, §1202.002, §1202.003, and §1202.203; department rule 70.70(e) and 70.100; *Frequently Asked Questions*; and the *Building Site Inspection Program* procedures]

Residential modular construction must be installed on a **permanent foundation** and installed **in accordance to the manufacturer's specifications**. If the typical foundation drawing is not suitable for a specific site, a licensed Texas professional engineer or architect shall design and stamp the unique foundation drawings or on-site details. Construction shown on drawings must meet or exceed the codes adopted by the **Texas Industrialized Building Code Council**.

The Texas Industrialized Building Code Council permits commercial modular construction to be installed on a temporary foundation system **subject to the acceptance of the local authority**.

INSPECTIONS [reference Occupations Code, Chapter 1202, §1202.203; department rules 70.62 and 70.73 and the *Building Site Inspection Program* procedures]

A. Inside Jurisdiction of a Municipality:

Fall under the jurisdiction of the local authorities for site inspections. Permits must be pulled in accordance with the requirements set by the municipality.

B. Outside Jurisdiction of a Municipality:

- Units installed on a temporary foundation system: no site inspection required.
NOTE: Residential units are required to be placed on a permanent foundation.
- Units installed on a permanent foundation system: Are preformed in accordance with the *Building Site Inspection Program*, and require a **site inspection performed by a Texas registered IHB third party inspector or a Texas licensed professional engineer or architect.**
NOTE: HUD, FHA, or licensed Real Estate Inspectors are not acceptable inspectors for the performance of the site inspection.

The builder may not change inspectors in the middle of a project. These inspections must be scheduled to assure that construction is observed in at least the following phases:

1. **FOUNDATION AND SITE PREPARATION.** After forms are constructed, steel reinforcement is installed, but before concrete is poured.
2. **SET INSPECTION.** When the modules or modular components are connected and fastened to the foundation.
3. **FINAL INSPECTION.** When utility services are connected and tests are performed.

Inspectors are required to use the Site Inspection Report form TDLR 053ihb and provide a copy to the Industrialized builders.

RECORDS AUDIT [Reference Department rule 70.50(b), and *enclosed Building Site Inspection Program* procedures]

An annual audit of units sold, leased, or installed by the builder shall be conducted by the Department. As an industrialized builder you are required to keep records of all modular units installed for a minimum of ten years. For modular units sold or leased but not installed by the industrialized builder you are required to keep records of all units for a minimum of five years. These records must be kept regardless if your registration is active or inactive.

The Department shall identify each unit in the audit by the manufacturer's name and registration number, manufacturer's serial number, and Texas decal or insignia number. The builder shall provide the following information to the Department for each unit identified in the audit, within the timeframe set by the audit.

- 1) Evidence of compliance with department rule 70.75. Department rule 70.75 requires the builder to provide:
 - a) the name, Texas registration number, and address of the manufacturer and industrialized builder;
 - b) a description of the location of the data plate and explanation of the information thereon;
 - c) the floor plan of the building and schematic drawings of the plumbing, electrical, and heating/ventilation systems;
 - d) the location of the decal(s) or insignia on the module or modular components;
 - e) a site plan showing the on-site location of all utilities and utility taps;

- f) a completed signed copy of the energy compliance checklist.
- 2) The address where each unit was installed. If the builder is not responsible for the installation, then the address to where each unit was delivered.
- 3) The occupancy use of each building containing modules or modular components, i.e., classroom, restaurant, bank, equipment shelter, etc.
- 4) Identification of the type of foundation system, either permanent or temporary, on which each unit was installed. NOTE: Residential units must be installed on a permanent foundation.

If the builder is responsible for the installation and site work, then the builder:

- a) shall, for units installed outside the jurisdiction of a municipality, keep a copy of the foundation plans and, for units installed on a permanent foundation, keep a copy of the site inspection report in accordance with department rule 70.73 (relating to Responsibilities of the Registrants – Building Site Inspections). A copy of these documents shall be made available to the department upon request; or
- b) shall, if installed within the jurisdiction of a municipality, provide the name of the city responsible for the site inspection.

If the builder is not responsible for the installation and site work, then the builder shall provide identification of the installation permit number, assigned by the Department, or builder registration number, assigned by the Department, of the person responsible.

Copies of all documents referenced in this bulletin may be downloaded from our web site at www.license.state.tx.us. While you're checking out the web site, take a few minutes and subscribe to our email subscriber list and become one of the first to be informed of upcoming events and changes to the IHB program.

If you have questions, or require further information, please contact us at (512) 463-7353, or you may email us at industrialized.buildings@license.state.tx.us.

Appendix E – Bulletin 04-001, Areas of Authority Belonging to a Municipality – Industrialized Buildings



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INDUSTRIALIZED HOUSING AND BUILDINGS

BULLETIN 04-001

June 3, 2004

Areas of Authority Belonging to a Municipality – Industrialized Buildings

The Texas Occupations Code, Chapter 1202, Industrialized Housing and Buildings, outlines the areas of authority belonging to a municipality. Department rules 70.62 and 70.73 further define the areas of authority pertaining to site inspections.

Any disputes that cannot be resolved between the local officials and the industrialized builder (retailer/installer) shall be referred to the Department. Disputes that cannot be resolved by the Department shall be referred to the Texas Industrialized Building Code Council. The decisions, actions, and interpretations of the Council are binding on the Department, third-party inspectors, design review agencies, manufacturers, and municipalities and other local political subdivisions.

§1202.151(b) of the Texas Occupations Code requires that industrialized buildings installed within the jurisdiction of a municipality are constructed to meet the applicable code group for that municipality. With the merger of the International Conference of Building Officials (ICBO) and the Southern Building Code Congress (SBCCI) into the International Code Council (ICC) and the adoption of the International Codes by the Texas Industrialized Building Code Council (Council), this means that the construction of new industrialized buildings must be in compliance with the International Codes. The International Codes are the latest editions of the Uniform Codes (published by ICBO) and the Standard Codes (published by SBCCI). Effective July 1, 2004, the applicable mandatory building codes for new construction as adopted under the Texas IHB program are the 2003 International Building Code, the 2003 International Mechanical Code, the 2003 International Plumbing Code, the 2003 International Fuel Gas Code, the 2003 International Energy Conservation Code, the 2003 International Residential Code, and the 2002 National Electrical Code.

§1202.252(a)(1) of the Texas Occupations Code grants the municipality the authority to require and review, for compliance with the mandatory state codes, a complete set of design plans, specifications, and calculations bearing the stamp of the council for each installation within its corporate limits. The municipality may refuse to issue a permit if a review of the plans and specifications indicates any violations of the mandatory building codes in effect at the time of construction of the industrialized building. The municipality may require correction of these violations, and inspection of the corrections made, as a condition for granting a permit. The municipality is not required to accept an industrialized building that has been found to be in violation of the mandatory building codes in effect at the time of construction.

§1202.153 of the Texas Occupations Code does not permit a municipality to require or enforce any local amendments to the mandatory codes adopted by the Council. However, the municipality may assure that the load conditions described in the plans and specifications meet the load requirements for the area in which the unit is installed. For example, a municipality is not required to accept a unit that was designed to meet a 90 mph wind speed if the basic wind speed map in the code indicates that the municipality is located in an area where the basic wind speed is 100 mph.

§1202.252(a)(2) of the Texas Occupations Code grants the municipality the authority to require that all applicable local permits and licenses are obtained before any construction begins on a building site. Contractors, electricians, and other workmen on the construction site must be licensed in accordance with the requirements of the municipality in which the module is sited

and with applicable state requirements. Department rules require that the person responsible for retailing and installing the industrialized buildings be registered with the Department as an industrialized builder.

§1202.252(a)(3) of the Texas Occupations Code grants the municipality the authority to require that all modules or modular components bear an approved decal or insignia. IHB Bulletin #97-001 provides a description of the decals and insignia used to certify compliance with the Texas IHB statute. Each separate module or modular component must bear a decal or insignia. The location of the decal or insignia on the module or modular component must be indicated on the floor plan or cover page of the approved plans. Only manufacturers that have met the requirements of the State are eligible to purchase decals or insignia (Department rule 70.77). By affixing the decal or insignia, the manufacturer certifies that the module or modular component was constructed and inspected in accordance with the law and rules governing industrialized housing and buildings. The control of the decals and insignia remains with the Department.

§1202.1535(a) of the Texas Occupations Code requires that a building be recognized as in compliance with a new mandatory building code or an amendment to the mandatory building code adopted by the Council provided:

1. the building bears an approved decal or insignia indicating compliance with the mandatory building codes; and
2. provided that the building has not been altered or modified from its original construction.

A municipality may not require that these buildings be brought into compliance with either the current mandatory building code or building code amendment adopted by the Council or with the local building code. A building that has not been maintained shall be considered altered.

§1202.1535(b) of the Texas Occupations Code requires alterations of industrialized buildings that bear an approved decal or insignia to be in compliance with the current mandatory building code or building code amendment adopted by the Council. A recertified building shall bear an alteration decal indicating compliance with the mandatory building code in accordance with Department rules 70.74 and 70.102. A building that does not conform to the original approved construction documents, or that has not been recertified, shall be considered altered. A municipality shall not be required to accept an altered industrialized building that has not been recertified.

§1202.251(a) of the Texas Occupations Code grants the municipality the authority to enforce local land use and zoning requirements, building setback requirements, side and rear yard requirements, site planning and development and property line requirements, subdivision control, and landscape architectural requirements. These local requirements and regulations and others not in conflict with the Act or other State law relating to transportation, erection, installation, or use, shall be reasonably and uniformly applied and enforced without distinction as to whether the building is manufactured or constructed on site. A municipality cannot restrict an industrialized building to an area zoned for manufactured building or prohibit an industrialized building constructed under Chapter 1202 from being placed inside city limits. A municipality can prohibit an industrialized building from being placed in an area zoned for residential.

§1202.252(a)(4) of the Texas Occupations Code grants the municipality the authority to establish procedures for inspection of the erection and installation of any industrialized building located within their jurisdiction to assure compliance with the mandatory building codes and the approved plans and specifications. These procedures may require final inspections and tests before occupancy and may require correction of deficiencies identified by the tests or discovered during inspections.

§1202.203 of the Texas Occupations Code grants the municipality the authority to inspect the foundation system and erection and installation of the modules or modular components on the foundation system to assure compliance with the mandatory building codes adopted by the Council and approved plans and specifications. All construction performed on site shall be

inspected by the municipal inspectors in accordance with their inspection procedures. The municipality may require repair of any items damaged in transit on the module or modular components to be installed. The municipality may require correction of code (mandatory codes identified in Department rules 70.100 and 70.101) violations identified on the module or modular component during the site inspections. The municipality may require correction of items that are not in conformance with the approved plans and specifications. Construction uncovered during repairs of violations may be inspected for conformance to the mandatory state codes and approved plans. However, destructive disassembly (Department rule 70.73) of a module or modular component is not permitted. Inspection of anything visible on a module or modular component is permitted. Nondestructive disassembly (opening access panels, cover plates, etc) is permitted during inspection.

Department rule 70.70(e) grants a municipality the authority to require a special foundation system that meets the local conditions. The municipality may require a special foundation system if the foundation system provided by the manufacturer is not suitable for the local site conditions. Special foundation systems, or unique on-site details, shall be designed by a professional engineer or architect, and reviewed by the municipality for conformance to the mandatory building codes. Review by a Texas approved design review agency is not required.

Department rule 70.10(a) defines a “permanent foundation system” as one that is designed to meet the applicable mandatory building code adopted under the Texas IHB program. A permanent foundation system shall not include ground anchors. Components of a foundation system allowed for use in site built construction must also be allowed for IHB buildings. The Council has determined that municipalities may permit the installation of an industrialized building on a temporary foundation system. A temporary foundation system typically consists of tie downs and ground anchors consistent with the foundation systems employed for manufactured housing and may be adequate where a building is to be placed at a temporary location. The documents, plans, and specifications for a temporary foundation system shall include the following.

- A soil investigation report prepared by a qualified engineer, or if the exact location is unknown, a description of the soil type for which the system is suitable.
- Structural calculations and related plans prepared by a professional engineer or architect.
- Specifications for adequate corrosion protection for the anchors and associated tie-down system.
- The plans and specifications must clearly indicate that the system is designed for the temporary location of the structure.

Appendix F – Frequently Asked Questions



TEXAS DEPARTMENT OF LICENSING AND REGULATION
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**Industrialized Housing and Buildings
Frequently Asked Questions**

Revised August 31, 2005

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General Questions

1. My home has a chassis – doesn't this mean it's a manufactured home?

No, a chassis does not necessarily make the home a manufactured home. As long as the construction of the industrialized house complies with the mandatory building code, the house may be constructed of any materials allowed by the code. Industrialized (modular) housing may be constructed with a steel chassis.

Unlike site built housing, industrialized housing requires a means of transport to move the house to the installation site. In many cases, the house is designed with the means of transport, in this case the chassis or steel frame, as a structural component of the house. A chassis that is designed to remain with the house is required to comply with all the applicable sections of the mandatory building code. However, the house must be installed without the towing hitch, axles, brakes, wheels, and other parts of the chassis that operate only during transportation and are only there to facilitate transportation of the house.

2. What is the difference between an "IHB" or industrialized (modular) home and a "manufactured home?"

The primary differences between an industrialized (modular) home and a manufactured home are as follows.

- The codes to which the homes are built. Industrialized housing in the State of Texas is constructed to the same codes as traditional site built housing. Manufactured housing is constructed to Federal HUD code standards. For information on manufactured housing please contact the Texas Department of Housing and Community Affairs at 800-500-7074 (in state only) or (512) 475-2200;
- Industrialized housing must be installed on a permanent foundation system;
- Titles are not issued by this Department for industrialized homes. Once installed, the house becomes part of the real property. Titles of ownership are provided the same as with site built homes and buildings.
- The units that make up an industrialized house will each bear a certification decal (label). A description of these decals may be found in the Industrialized Housing and Buildings Bulletin #97-001. Copies of bulletins may be downloaded from our web site at <http://www.license.state.tx.us/ihb/ihbforms.htm#Bulletins>. Decals are purchased from the Department by approved manufacturers for placement on units that were constructed in accordance with the mandatory building codes and the approved design package and that were inspected in accordance with the requirements of the Texas IHB program.
- A municipality may not prohibit industrialized housing constructed under the IHB program from being placed inside city limits or restrict these buildings to areas zoned for "manufactured" housing.

3. Can a municipality prohibit buildings constructed under the IHB program from being placed inside their city limits or restrict these buildings to an area zoned for manufactured housing? If not, what authority do the municipalities have over IHB buildings?

No. However, there are areas of authority belonging to municipalities that are specifically and entirely reserved to them. That authority may include local land use and zoning requirements, building setback requirements, side and rear yard requirements, site planning and development and property line requirements, subdivision control, and landscape architectural requirements. Those local requirements and regulations and others not in conflict with the IHB law or other state law relating to transportation, erection, or installation, or use, shall be reasonably and uniformly applied and enforced **without distinction as to whether the housing or buildings are manufactured under the IHB program or are constructed on site.**

In other words, a municipality must accept buildings that have been constructed under the Texas Industrialized Housing and Buildings program. If an area is zoned single-family residential, then the municipality must accept a single family residential IHB building in that area. If an area is zoned commercial, then the municipality must accept a commercial IHB building in that area. A municipality may enforce all local ordinances and zoning requirements that are not in conflict with the requirements of the IHB law.

A municipality has the authority to:

IHB – Frequently Asked Questions

Revised August 31, 2005

- require and review for compliance with the mandatory state codes a complete set of design plans and specifications bearing the stamp of the Texas Industrialized Building Code Council for each installation within its corporate limits;
- require that all applicable local permits and licenses be obtained before any construction begins on a building site;
- require that all modules or modular components bear an approved Texas decal or insignia; and
- establish procedures for inspection of the erection and installation of any industrialized housing and buildings to be located within its corporate limits to assure compliance with the mandatory state codes. These procedures may require final inspections and tests before occupancy is permitted.

In addition, a municipality may adopt ordinances that require single-family or duplex industrialized housing to meet requirements not required to be met by housing constructed on-site. The ordinance may require the housing to:

- have a value equal or greater than the median taxable value for each dwelling located within 500 feet of the proposed installation site;
- have exterior siding, roofing, roofing pitch, foundation fascia, and fenestration compatible with the dwellings within 500 feet of the proposed installation site;
- comply with municipal aesthetic standards, building setbacks, side and rear yard offsets, subdivision control, architectural landscaping, square footage, and other site requirements applicable to dwellings; or
- be securely fixed to a permanent foundation.

A municipality may not require or enforce any amendments to the mandatory state codes for industrialized housing and buildings as a prerequisite for granting construction permits or certificates of occupancy. A municipality must accept industrialized buildings as compliant with the current mandatory building code adopted under the Texas IHB program provided the building has not been altered from the original plans (reference §1202.1535 of the Texas Occupations Code). A building that has not been maintained shall be considered altered. Buildings that are altered may be recertified under the Texas IHB program. Once recertified the buildings must be accepted by municipalities as in compliance with the current mandatory building code adopted under the Texas IHB program.

More information concerning the areas of authority of municipalities may be found on the web site at <http://www.license.state.tx.us/ihb/ihbforms.htm#Bulletins>.

4. What is the difference between an IHB manufacturer and an industrialized builder?

An IHB manufacturer is a person who constructs or assembles modules or modular components at a manufacturing facility which are offered for sale or lease, sold or leased, or otherwise used.

An industrialized builder is a person who is engaged in the assembly, connection, and on-site construction and erection of modules or modular components at the building site. Alternately an industrialized builder is a person who is engaged in the purchase of industrialized housing or buildings or of modules or modular components from a manufacturer for sale or lease to the public. A subcontractor of an industrialized builder does not have to be registered as an industrialized builder.

5. Why do I have to get a site inspection for my building when the site is outside corporate city limits?

§1202.203(b) of the Texas Occupations Code requires the construction of the foundation system and the erection and installation of industrialized housing modules or modular components to be inspected by third party inspectors approved by the Texas Industrialized Building Code Council. §1202.203(d) requires the construction of the foundation system and the erection or installation of industrialized building modules or modular components to be inspected, if required by Commission rule, by third party inspectors approved by the Texas Industrialized Building Code Council. Department rule 70.73 and the Building Site Inspection Program provides detailed information on when site inspections are required. Please visit the following site to learn more about when site inspections are required and who may perform them: <http://www.license.state.tx.us/ihb/bldgsite.htm>.

6. Who is responsible for assuring that the site inspections are completed in accordance with the requirements of the Industrialized Housing and Buildings Statute?

That depends on your contract with the industrialized builder (retailer/installer) or manufacturer from whom you purchased the modules or modular components. Generally, if your contract with the builder or manufacturer calls for a turn key operation, i.e., they are responsible for the foundation and installation and erection of the modules or modular components, then the builder or manufacturer is responsible for assuring that the site inspections are completed. If the builder or manufacturer is only transporting or performing a portion of the site work, such as installation of the modules or modular components, and you are subcontracting out other portions of the site work, then you are responsible for assuring that the site inspections are completed. Please visit the following site to learn more about when site inspections are required and who may perform them: <http://www.license.state.tx.us/ihb/bldgsite0504.htm>.

7. The local building official said I need an IHB decal for my building. How do I get one?

If the building is already constructed it is too late to obtain IHB decals or insignia for the modules or modular components that comprise the building. If the building has not yet been constructed, then you may contact one of the Texas registered industrialized builders (retailers/installers) or certified (approved) Texas IHB manufacturers to purchase your building. A list of industrialized builders can be found at www.license.state.tx.us/IHB/Builders.htm. A list of certified manufacturers can be found at www.license.state.tx.us/IHB/Manufaclist.htm. Manufacturers that wish to become certified under the Texas IHB program may download an information packet at www.license.state.tx.us/IHB/041IHB.htm.

8. Can industrialized housing be installed on a temporary foundation? What is the difference between a "permanent" foundation and a "temporary" foundation?

Industrialized housing cannot be installed on a temporary foundation system. Generally, a "permanent" foundation is a foundation system with the following characteristics.

- The foundation system and all related construction complies with the requirements of the mandatory building codes.
- The foundation system is capable of transmitting all design loads imposed by or upon the foundation and the attached building into soil or bedrock without failure.
- The structure is attached without the towing hitch, axles, brakes, wheels and other parts of the chassis that only operate during transportation.
- Ventilation and decay details are provided in accordance with code requirements.
- The use of ground anchors is not approved for permanent foundations.

A temporary foundation typically consists of tie downs and anchors consistent with the foundation systems employed for manufactured housing. The Texas Industrialized Building Code Council (Council) permits the use of temporary foundation systems for industrialized **buildings** subject to the acceptance of the approving agency. The documents, plans, and specifications for a temporary foundation system must include the following:

- a soil investigation report prepared by a qualified engineer, or if the exact site location is unknown, a description of the soil type for which the system is suitable;
- structural calculations and related plans prepared by a qualified engineer;
- specifications for adequate corrosion protection for the anchors and associated tie-down system; and
- the plans and specifications must clearly indicate that the system is designed for the temporary location of the structure.

Design review agencies may approve temporary foundation systems in compliance with the above, but the local authorities have the final say on what foundation system is appropriate for the installation site. The Council does not wish to force acceptance of a temporary foundation system where the building is to be placed in a permanent location, but determined that these systems may be adequate where a building is placed at a temporary location.

9. Section 1202.151 of the Occupations Code, Industrialized Housing and Buildings, adopts the National Electrical Code, the Uniform Building Code group, and the Standard Building Code group as they existed on January 1, 1985, but the construction documents for modular housing and buildings installed within my jurisdiction indicate compliance with the 2002 National Electrical Code (NEC) and the 2003 International Codes (I Codes). Is this legal?

Yes. Section 1202.152 of the Occupations Code, Industrialized Housing and Buildings, grants authority to the Texas Industrialized Building Code Council (Council) to adopt later editions of the codes adopted in section 1202.151. In October 2003 the Council adopted the 2002 NEC and 2003 I Codes with an effective date of July 1, 2004. The mandatory building codes currently in effect may be found in Department rule 70.100 and 70.101 (rules may be downloaded from our web site at <http://www.license.state.tx.us/ihb/ihbrules.htm>). Section 70.100(c) provides the effective dates for past code editions adopted by the Council.

10. Where can I obtain a copy of the mandatory building codes adopted under the Texas Industrialized Housing and Buildings program?

The mandatory building codes adopted under the Texas Industrialized Housing and Buildings program are published by the International Code Council (ICC) and can be purchased from the ICC. For more information visit the ICC web site at www.iccsafe.org.

The mandatory building codes currently in effect can be found in Department rule 70.100 and 70.101 (rules may be downloaded from our web site at <http://www.license.state.tx.us/ihb/ihbrules.htm>).

11. What is the difference between an industrialized builder's registration and an installation permit?

Manufacturers of industrialized housing and buildings cannot release a module or modular component for shipping without the installation permit number of the owner or the registration number of the industrialized builder. An industrialized builder (retailer) who is not responsible for the foundation and installation of the modules or modular components may not release the modules or modular components without the installation permit number of the owner. **If you are a retailer, (i.e., purchasing industrialized housing or buildings for sale or lease to the public) then you must be registered as an industrialized builder.** If you are purchasing or leasing an industrialized house or building for your own use, or your company's use, you may file for an installation permit in lieu of registering as an industrialized builder.

12. Are all commercial modular buildings regulated under the Texas IHB program?

No. Chapter 1202 of the Occupations Code does not regulate the following commercial industrialized (modular) buildings.

- Structures that exceed 3 stories or 49 feet in height as measured from the finished grade elevation at the building entrance to the peak of the roof
- A commercial building that is installed in a manner other than on a permanent foundation and that is not open to the public
- A commercial building that is installed in a manner other than on a permanent foundation and that is less than 1,500 square feet in total area and used other than as a school or a place of religious worship
- Construction site buildings. A construction site building is a commercial structure that is not open to the public and used for any purpose at a commercial site by a person constructing a building, road, bridge, utility, or other infrastructure or improvement to real property

Note: Many exempt commercial modular buildings have been constructed and labeled under the Texas IHB program to assure acceptance by municipalities and because many municipalities want the assurance that the building has been constructed in compliance with the building codes. The policies of a municipality with regards to buildings not labeled under the IHB statute are not covered by the IHB statute or governed by IHB staff; however, buildings that are labeled under the Texas IHB program must comply with all the requirements of the program.

13. How do I transfer the title to my industrialized house or building?

There are no provisions in Chapter 1202 of the Occupations Code for **the Department to issue or transfer titles** for industrialized housing and buildings. Unlike manufactured housing, permanently

installed industrialized housing or buildings are considered part of the real property and titles of ownership are provided the same as with site built housing and buildings.

Licensing Questions

1. Can I apply for an installation permit for the installation of an industrialized house that will then be sold as real estate with the property on which it is installed?

No. An installation permit can only be obtained for the purchase and installation of an industrialized house if you plan to live in the house after it is installed. The intent of an installation permit was to give some relief from the registration requirements for an industrialized builder to a person who wants to purchase an industrialized house to live in and who is willing to take responsibility for the foundation and installation of the house.

2. Why do I have to give you my social security number when applying for registration?

In order to comply with the laws relating to child support enforcement under Parts A and D of the federal Social Security Act (42 U.S.C. Sections 601-617 and 651-669), Texas Family Code Section 231.302(c)(1) requires Texas State licensing agencies to obtain the social security numbers of all persons requesting a license or registration. Please be assured that the furnishing of social security numbers will be for the limited purpose of complying with the Family Code Section 231.302(c)(1). This information will not be used for any other purpose or made available to any other individual, organization or entity. Under Texas Attorney General Open Records Opinion No. 622 (January 27, 1994) even an open records request will not force us to release such information.

3. Does the Texas IHB program have reciprocity with any other state modular construction program?

No, the Department does not currently have reciprocity with any other state modular construction programs. Please see the IHB web site at <http://www.license.state.tx.us/ihb/ihbreciprocity.htm> for more information about reciprocity with other states.

4. How does a manufacturer become a certified (approved) industrialized housing and buildings manufacturer for Texas?

A manufacturer's information packet may be downloaded from our website at www.license.state.tx.us/IHB/041IHB.htm . A flow chart showing the steps to becoming a certified IHB manufacturer can be found at <http://www.license.state.tx.us/ihb/pdf/ihb044.pdf>. A checklist of the pre-certification requirements that must be fulfilled prior to the start of a Texas certification inspection may be found at <http://www.license.state.tx.us/ihb/pdf/ihb019.pdf>.

5. If I was on active duty in the National Guard, do I have any additional time to complete continuing education and other requirements related to the renewal of my license?

Yes. If you were a member of the state military forces or a reserve component of the armed forces of the United States, such as the National Guard, and you were ordered to active duty on or after September 1, 2004, you have additional time equal to the total number of years or parts of years that the you served on active duty.

When you apply to renew your license you must provide documentation of the date your active duty began and the date it ended.

Enforcement Questions

1. How do I file a complaint against a licensee?

To file a complaint, you may [download the Complaint Form](#) from our website or contact the department at 800-803-9202 (Texas only) or 512-463-6599.

Communication Questions

1. How may I receive notification of new and changing information with your department?

You may sign up on the [TDLR E-mail Subscriber Notification Lists](#). These list(s) were established to allow subscribers to receive automated notification of new and changing information. To include yourself in the TDLR e-mail notification list(s), follow the instructions on the page.

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TEXAS DEPARTMENT OF LICENSING AND REGULATION

Industrialized Housing & Buildings Program

P.O. Box 12157 Austin, Texas 78711 (512)463-7353 (800)803-9202 FAX (512)475-4364
Email Address: industrialized.buildings@license.state.tx.us Internet Address: www.license.state.tx.us

INDUSTRIALIZED HOUSING AND BUILDINGS

BULLETIN 97-001

Revised December 1, 2003

The Texas Industrialized Housing and Buildings Act, Texas Civil Statutes, Article 5221f-1, became effective on January 1, 1986. House Bill 2813, 77th Legislature (2001), Chapter 1202, enacted a nonsubstantive revision of Article 5221f-1, effective 06/01/03. SB 279, 78th Legislature (2003), enacted changes in the definition of an industrialized building, effective September 1, 2003. The Occupations Code, Chapter 1202, regulates the construction of modular buildings and modular components, both residential and commercial, in the State of Texas.

As defined by Chapter 1202 of the Occupations Code:

Sec. 1202.002. DEFINITION OF INDUSTRIALIZED HOUSING

- (a) Industrialized housing is a residential structure that is:
 - (1) designed for the occupancy of one or more families;
 - (2) constructed in one or more modules or constructed using one or more modular components built at a location other than the permanent site; and
 - (3) designed to be used as a permanent residential structure when the module or the modular component is transported to the permanent site and erected or installed on a permanent foundation system.
- (b) Industrialized housing includes the structure's plumbing, heating, air conditioning, and electrical systems.
- (c) Industrialized housing does not include:
 - (1) a residential structure that exceeds three stories or 49 feet in height as measured from the finished grade elevation at the building entrance to the peak of the roof;
 - (2) housing constructed of a sectional or panelized system that does not use a modular component; or
 - (3) a ready-built home constructed in a manner in which the entire living area is contained in a single unit or section at a temporary location for the purpose of selling and moving the home to another location.

Sec. 1202.003. DEFINITION OF INDUSTRIALIZED BUILDING.

- (a) An industrialized building is a commercial structure that is:
 - (1) constructed in one or more modules or constructed using one or more modular components built at a location other than the commercial site; and
 - (2) designed to be used as a commercial building when the module or the modular component is transported to the commercial site and erected or installed.
- (b) An industrialized building includes the structure's plumbing, heating, air conditioning, and electrical systems.
- (c) An industrialized building does not include a commercial structure that exceeds three stories or 49 feet in height as measured from the finished grade elevation at the building entrance to the peak of the roof.
- (d) An industrialized building includes a permanent commercial structure and a commercial structure designed to be transported from one commercial site to another commercial site.

Sec. 1202.001(5). "Modular component" means a structural part of housing or a building constructed at a location other than the building site in a manner that prevents the construction from being adequately inspected for code compliance at the building site without:

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- (A) damage; or
- (B) removal and reconstruction of a part of the housing or building.

"MANUFACTURED HOUSING" is built to Federal HUD Code Standards. For information on "Manufactured Housing" please contact the Texas Department of Housing and Community Affairs at 1-800-500-7074 (in state only) or (512) 475-2200, internet address <http://www.tdhca.state.tx.us/mh.htm>.

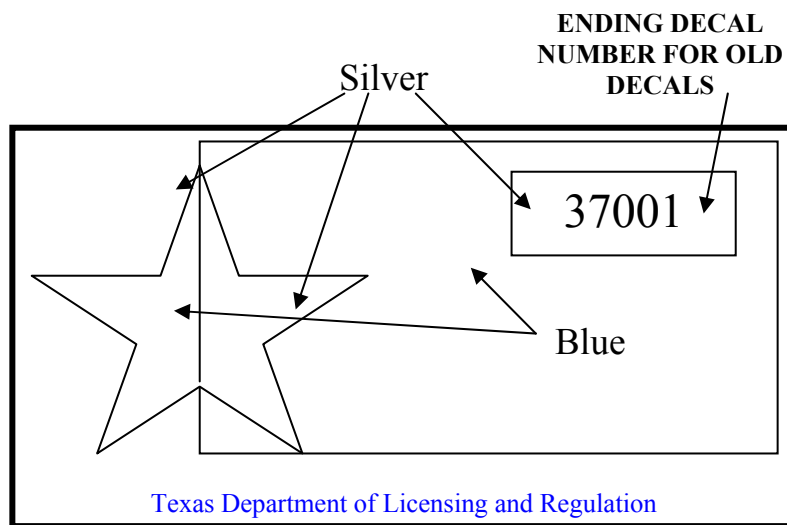
Industrialized housing and buildings, modules, and modular components are constructed in accordance with the following codes [reference department rules 70.100 and 70.101 for adopted appendices and amendments]:

- (1) National Fire Protection Association - National Electrical Code, 1999 Edition; and
- (2) the International Building Code, 2000 edition; the International Fuel Gas Code, 2000 edition; the International Plumbing Code, 2000 edition; the International Mechanical Code, 2000 edition; the International Residential Code, 2000 edition with 2001 Supplement, and the 2000 International Energy Conservation Code with 2001 Supplement.

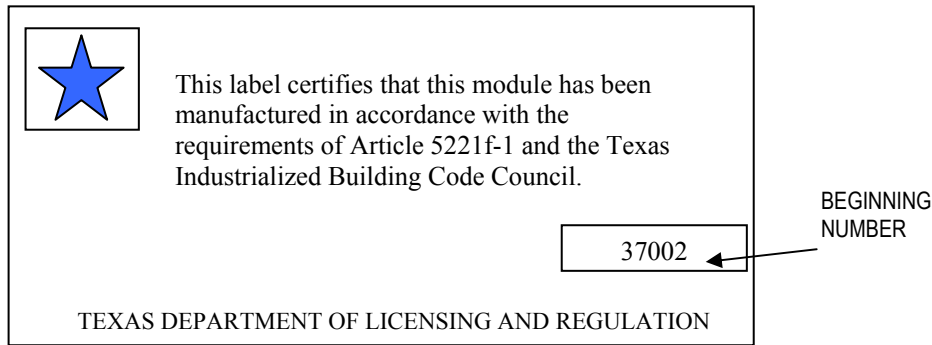
Decals and insignia are used to certify that the modules or modular components are constructed and inspected in accordance with the approved design package, the mandatory building codes in effect at the time of construction, and the in-plant inspection requirements approved by the Texas Industrialized Building Code Council. Decals are used for module certification and insignia are used for modular component certification. The department issues decals and insignia to the registered certified manufacturer upon application and payment of the fee following certification of the manufacturing facility. The manufacturer's plans indicate the location of the decal or insignia on each module or modular component. The control of the decals and insignia remains with the Department.

DECAL DESCRIPTION (1986-1998):

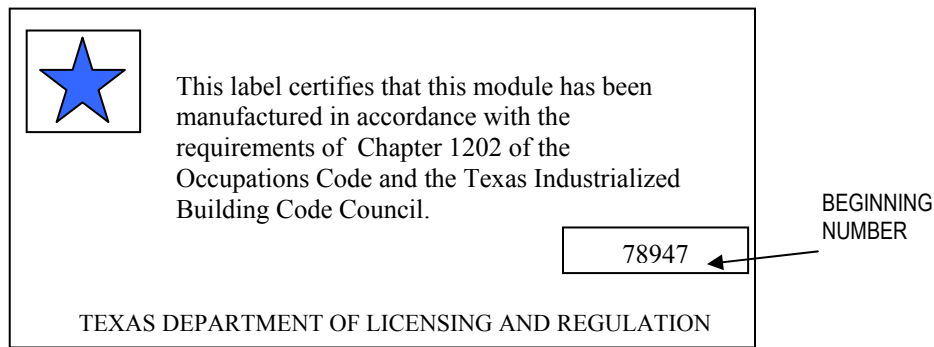
Aluminum alloy type material (non-rusting) 2" x 4" x 0.18". Blue on natural color of metal with 1/8" hole in each corner. Center of hole located 3/16" from end/top or bottom. Serial number in upper right hand corner. Texas Department of Licensing and Regulation along lower part of decal. Large star on left end. Left vertical half of star is blue. Right half of star is natural color of metal.



DECAL DESCRIPTION (decal #'s 37002 - 78946):



DECAL DESCRIPTION (beginning with decal # 78947):



COLORS: White background, blue star, blue lettering
SIZE: 2 X 4

If product is tampered with the label will chip away in tiny pieces.
Permanent acrylic adhesive used. Material is 3.5 mil. thick.
Five-year exterior application warranty. Temperature range -30 deg. F to 245 deg. F.
Minimum application temperature is 50 deg. F.
Decal must be affixed to the module before the module is shipped from the manufacturing facility. The decal may be placed in any visible location so long as the location is specified on the floor plan or other on-site documentation. If it is necessary to attach a special plate on the module for placement of the decal, then the decal must be applied to the plate so as to cover as many of the attaching fasteners as possible.

INSIGNIA DESCRIPTION:

