

in the State and the number of manufactured homes imported into the State, and the relationship of these factors to any fees currently charged and any fees charged during the preceding two calendar years. A description of all current and past State activities with respect to manufactured homes shall be included with this estimate.

(12) Give satisfactory assurances that the State shall devote adequate funds to carrying out its State plan,

(13) Indicate that State Law requires manufacturers, distributors, and dealers in the State to make reports pursuant to section 614 of the Act 42 U.S.C. 5413 and this chapter of these regulations in the same manner and to the same extent as if the State plan were not in effect,

(14) Provide that the designated agency shall make reports to the Secretary as required by subpart L of this part in such form and containing such information as the Secretary shall from time to time require,

(c) A state plan may be granted conditional approval if all of the requirements of §3282.302 (a) and (b) are met except paragraphs (b)(2), (b)(3), (b)(6) or (b)(13). When conditional approval is given, the state shall not be considered approved under section 623 of the Act, 42 U.S.C. 5422, but it will participate in all phases of the program as called for in its State plan. Conditional approval shall last for a maximum of five years, by which time all requirements shall be met for full approval, or conditional approval shall lapse. However, the Secretary may for good cause grant an extension of conditional approval upon petition by the SAA.

(d) If a State wishes to discontinue participation in the Federal enforcement program as an SAA, it shall provide the Secretary with a minimum of 90 days notice.

(e) *Exclusive IPIA status.* (1) A State that wishes to act as an exclusive IPIA under §3282.352 shall so indicate in its State Plan and shall include in the information provided under paragraph (b)(11) of this section the fee schedule for the State's activities as an IPIA and the relationship between the proposed fees and the other information provided under paragraph (b)(11) of this

section. If the Secretary determines that the fees to be charged by a State acting as an IPIA are unreasonable, the Secretary shall not grant the State status as an exclusive IPIA.

(2) The State shall also demonstrate in its State Plan that it has the present capability to act as an IPIA for all plants operating in the State.

[41 FR 19852, May 13, 1976, as amended at 47 FR 5888, Feb. 9, 1982; 51 FR 34468, Sept. 29, 1986; 61 FR 10860, Mar. 15, 1996]

§ 3282.303 State plan—suggested provisions.

The following are not required to be included in the State plan, but they are urged as necessary to provide full consumer protection and assurances of manufactured home safety:

(a) Provision for monitoring of dealers' lots within the State for transit damage, seal tampering, and dealer performance generally,

(b) Provision of approvals of all alterations made to certified manufactured homes by dealer in the State. Under this program, the State would assure that alterations did not result in the failure of the manufactured home to comply with the standards.

(c) Provision for monitoring of the installation of manufactured homes set up in the State to assure that the homes are properly installed and, where necessary, tied down,

(d) Provision for inspection of used manufactured homes and requirements under State authority that used manufactured homes meet a minimal level of safety and durability at the time of sale, and,

(e) Provision for regulation of manufactured home transportation over the road to the extent that such regulation is not preempted by Federal authority.

§ 3282.304 Inadequate State plan.

If the Secretary determines that a State plan submitted under this subpart is not adequate, the designated State agency shall be informed of the additions and corrections required for approval. A revised State plan shall be submitted within 30 days of receipt of such determination. If the revised State plan is inadequate or if the State fails to resubmit within the 30 day period or otherwise indicates that it does

not intend to change its State plan as submitted, the Secretary shall notify the designated State agency that the State plan is not approved and that it has a right to a hearing on the disapproval in accordance with subpart D of this part.

§ 3282.305 State plan approval.

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

§ 3282.306 Withdrawal of State approval.

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

§ 3282.307 Monitoring inspection fee establishment and distribution.

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

(b) The monitoring inspection fee shall be paid by the manufacturer to the Secretary or to the Secretary's Agent, who shall distribute a portion of the fees collected from all manufactured home manufacturers among the approved and conditionally-approved

States in accordance with an agreement between the Secretary and the States and based upon the following formula:

(1) \$9.00 of the monitoring inspection fee collected for each transportable section of each new manufactured housing unit that, after leaving the manufacturing plant, is first located on the premises of a dealer, distributor, or purchaser in that State; plus

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

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

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

(e) The Secretary may establish by notice in the FEDERAL REGISTER a monitoring inspection fee which is to be paid by manufacturers for each transportable section of each manufactured housing unit manufactured in nonapproved and conditionally approved States as described in § 3282.210. To determine the amount of the inspection fee to be paid for each transportable section of each manufactured home, the Secretary shall divide the (estimated) number of transportable sections of manufactured homes (based on recent industry production figures) into the anticipated aggregate cost of conducting the inspection program in the foreseeable future. The time period selected for projecting the Department's inspection-related costs and