

March 4, 2024

Re: Tennessee Code Annotated § 68-126-401 *et seq.*

To: Manufactured Home Retailers and Installers,

During the Manufactured Housing Section's (the "Section") ongoing Installation Decal Audit it has become clear that there are a great many instances where applicable law, Tennessee Code Annotated §§ 68-126-401 *et seq.*, is not being followed. This has an overall negative effect for all involved in the manufactured housing industry, the Section, and especially the consumers. I am preparing this document as a refresher on what the Tennessee Code requires and how the Section enforces these laws.

Tenn. Code Ann. § 68-126-406 (b) states, "The installer shall apply for an installation permit prior to installing a manufactured home..." An installation decal shall be purchased for a home once it is on-site and ready to be installed. Decals should not be purchased at the time a home is purchased, at the time of delivery to a retail center, in bulk, or in any other manner.

Tenn. Code Ann. § 68-126-406 (e) states, "Each installer shall submit a report to the commissioner on at least a weekly basis describing the homes installed by the installer that week." When an installation decal is placed in a home, this signifies the home is code and safety compliant and the installation is complete. A weekly report for a home shall be submitted to the Section within seven (7) calendar days from placement of the decal.

Further, Tenn. Code Ann. § 68-126-406 (f) states; "Installers and retailers may purchase decals from the county clerk; provided, however, that the commissioner shall account for all permits." The Section is required by statute to account for all installation decals. The Section accounts for decals in several different ways such as through monitoring of weekly reports and decal audits.

Pursuant to Tenn. Code Ann. § 68-126-406(g), "The state or local electrical inspector shall not authorize electricity to be turned on at the home if no installation decal is on the home when the electrical installation is done." A home should never be energized on a permanent basis until the installation is complete.

Tenn. Code Ann. § 68-102-143(e)(1) provides, "A service release inspection is a temporary service to allow for testing of equipment, environmental conditioning, and special operational equipment for construction. The inspection is valid for a period of forty-five (45) days on designated circuits only." Additionally, Tenn. Code Ann. § 68-102-143(e)(1) provides, "A service release inspection does not allow for occupancy of the structure." Tenn. Code Ann. § 68-102-143(e)(2) further clarifies, "A service release inspection may be issued for purposes of installation and inspection of a heating, ventilation, and air conditioning system (HVAC) for a manufactured home or modular

building. An anchoring decal shall not be required for a service release inspection." If power is needed to complete aspects of an installation, the forty-five (45) day service release option should be utilized.

Lastly, Tenn. Code Ann. § 68-126-406(h) states, "If a permit decal is lost or destroyed, the applicant for a replacement decal shall pay to the county clerk a fee of forty-five dollars (\$45.00), from which the county clerk shall retain eight dollars (\$8.00) and remit thirty-seven dollars (\$37.00) to the commissioner. The applicant for the replacement permit decal shall provide to the county clerk an affidavit stating that the decal was lost or destroyed. The county clerk shall submit a copy of the affidavit for any replacement permit decal issued with the monthly report to the commissioner." The Section's process has been to accept an affidavit from the licensee on any lost, damaged, or stolen decals. Tenn. Code Ann. § 68-126-406(h) should always be followed.

This document does not contain a full recitation of all applicable laws; however, I hope this document will be a useful reminder of some key elements.

Sincerely,

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