

REQUEST FOR LEGAL SERVICES

D a t e: September 15, 2025
F r o m: Tom Cook, Chair
Water and Infrastructure Committee

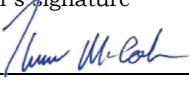
TRANSMITTAL

Memo to: DEPARTMENT OF THE CORPORATION COUNSEL
Attention: Michael J. Hopper, Esq.

Subject: BILL 122 (2025), AMENDING CHAPTER 16.25, MAUI COUNTY CODE, ON
FACTORY-BUILT HOUSING (WAI-14)

Background Data: Please see proposed CD1 version of the bill. Please submit your response to
wai.committee@mauicounty.us with a reference to WAI-14. Section 507 was amended for
consistency with the scope of the article and based on input from the Director of Public
Works.

Work Requested: ☒ FOR APPROVAL AS TO FORM AND LEGALITY
☐ OTHER:

Requestor's signature  Tom Cook, Chair	Contact Person <u>Keone J. Hurdle or Carla M. Nakata</u> (Telephone Extension: <u>7659 or 5519, respectively</u>)
---	--

☐ ROUTINE (WITHIN 15 WORKING DAYS) ☐ RUSH (WITHIN 5 WORKING DAYS)
☐ PRIORITY (WITHIN 10 WORKING DAYS) ☐ URGENT (WITHIN 3 WORKING DAYS)

☒ SPECIFY DUE DATE (IF IMPOSED BY SPECIFIC CIRCUMSTANCES): September 19, 2025, by 12:00 noon
REASON: For next WAI Committee meeting on September 22, 2025.

FOR CORPORATION COUNSEL'S RESPONSE

ASSIGNED TO:	ASSIGNMENT NO.	BY:
--------------	----------------	-----

TO REQUESTOR: ☐ APPROVED ☐ DISAPPROVED ☐ OTHER (SEE COMMENTS BELOW)
☐ RETURNING--PLEASE EXPAND AND PROVIDE DETAILS REGARDING ITEMS AS NOTED

COMMENTS (NOTE - THIS SECTION NOT TO BE USED FOR LEGAL ADVICE): _____

DEPARTMENT OF THE CORPORATION COUNSEL

Date _____

By _____

(Rev. 7/03)

wai:ltr:014acc01:kjh

Attachment

ORDINANCE NO. _____

BILL NO. 122, CD1 (2025)

A BILL FOR AN ORDINANCE AMENDING CHAPTER 16.25,
MAUI COUNTY CODE, RELATING TO FACTORY-BUILT HOUSING

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. This Ordinance establishes procedures for the design, manufacture, installation, inspection, and transport of factory-built housing in the County of Maui.

SECTION 2. Chapter 16.25 is amended by adding a new article to be appropriately designated and to read as follows:

“Article 5. Factory-Built Housing

SECTION 501 GENERAL

16.25.501 General.

501.1 Scope. These provisions apply to the design, manufacture, installation, inspection, and transportation of factory-built housing for one- or two-family dwellings, which are sold or offered for sale to first users. All County-adopted codes, including the building, residential, energy, electrical, and plumbing codes, as amended, apply unless indicated otherwise in this article.

Exclusions:

1. Manufactured homes certified in accordance with the Manufactured Home Construction and Safety Standards as adopted by the United States Department of Housing and Urban Development.
2. Factory-built housing manufactured on the island of Maui that obtains required building,

plumbing, and electrical permits and are fully inspected by County inspectors.

501.2 Compliance alternative. Nothing in this standard is intended to prevent the use of procedures, processes, designs, technologies, or products—including listed and labeled modular components—as alternatives to any prescriptions in this standard, if general equivalence is demonstrated and approved by the building official. Listed and labeled modular components must be installed in accordance with their listing, the manufacturer’s installation instructions, and the applicable requirements of the construction codes adopted by the building official.

501.3 Definitions. The following terms are defined for specialized use within this article:

“Building site” means the parcel of land on which factory-built housing is installed.

“Factory” means the location where factory-built housing is manufactured.

“Factory-built housing” means any dwelling or portion thereof that is prefabricated or assembled at a place other than the building site. Factory-built housing may be made up of multiple manufactured units.

“First user” means a person, firm, or corporation who initially installs factory-built housing within the County. A person who subsequently purchases and installs factory-built housing is not a first user within the meaning of this definition.

“Insignia” means a tag, label or other device issued or approved by the building official to indicate compliance with factory-built housing standards.

“Installation” means the assembly or placement of factory-built housing on the building site and the process of affixing factory-built housing to land, a foundation, or an existing building.

“Manufacture” means the process of making, fabricating, constructing, forming, or assembling factory-built housing at a place other than the building site.

“Manufactured unit” means the individual module which is manufactured and inspected separately in a factory.

“Quality assurance manual” means a document outlining the standards, procedures, and processes that will be utilized by a factory to construct factory-built housing.

“Third-party inspection agency” are inspectors who are not County of Maui employees and have been authorized by the building official to conduct County-required inspections.

“Third-party inspection manual” means a document outlining the standards, procedures, and processes that will be utilized by a third-party inspection agency to inspect factory-built housing.

SECTION 502 PLAN APPROVAL, PERMITS, AND FEES

16.25.502 Plan approval, permits, and fees.

502.1 Plan approval. A. Plans for factory-built housing will be processed and approved in accordance with section 16.25.107.6.

B. Electrical and plumbing plan review must be conducted as part of the design registration approval.

C. Engineering analysis, design calculations, structural details, and other design elements must be provided when requested as part of the design registration review.

D. In addition to standard plan requirements, plans for factory-built housing will include:

1. Work to be done in the factory and work to be done at the building site.

2. Location of required factory and inspection insignias and data plate.

3. Floor plan of the factory-built housing, including the location of each manufactured unit.

4. Name and location of factory.

5. Details related to interconnection of manufactured units at site; connection of manufactured units to building site construction; and connection between all construction components connected and completed at the site, including walls, floors, ceilings, roofs, plumbing, electrical communications, fire protection, and HVAC systems and assemblies.

6. Electrical and plumbing systems.

E. The applicant will inform the building official of the intent to utilize factory-built housing at the time plans are submitted for design registration approval. Documentation and submittals related to factory certification and third-party inspection agencies must be submitted as part of the design registration processing.

F. Factory construction may commence once a design registration request is approved, as long as the applicant is responsible for ensuring that the factory-built housing complies with all requirements applicable to the building site without further modification. Requirements applicable to the building site will be determined at the time building permits are applied for.

502.2 Permits required. A. Building, plumbing, and electrical permits must be obtained when factory-built housing is placed on a building site. The permits must cover work to be done at the factory and at the building site, including foundations and connections to utility services.

B. Hawaii licensed professionals will be designated on the various permits. Owner-builder construction is not allowed for factory-built structures.

C. Manufactured units for factory-built housing may be temporarily stored on a building site once a building permit has been applied for. Manufactured units for factory-built housing that do not have a designated building site may be temporarily stored at a baseyard when approved by the building official. Manufactured units temporarily stored at a building site or a baseyard must comply with all other applicable laws and standards. The manufactured unit cannot be used or occupied until a building permit has been issued and all appropriate inspections have been conducted.

502.3 Permit fees. All fees in the annual budget must be paid to the building official for each permit.

SECTION 503 FACTORY CERTIFICATION

16.25.503 Factory certification.

503.1 Factory approval. Any factory proposing to manufacture factory-built housing must be approved by the building official. Each separate factory must obtain approval. Any factory seeking approval by the building official will submit the following:

1. Verification that the factory is located in the United States.

2. A quality assurance manual which has been prepared in substantial conformance with ICC/MBI 1205-2021, standard for off-site construction: Inspection and regulatory compliance, chapter 5, or the latest version of said standard; or a quality assurance manual which is approved for use as part of a state factory-built housing program which meets or exceeds the codes and standards of the County.

3. A letter of contract with an authorized third-party inspection agency.

4. A letter verifying that all factory-built housing will fully comply with the latest versions of the County building, residential, energy, electrical, and plumbing codes, as amended.

503.2 Certification. Upon approval of a factory for factory-built housing, the building official will provide written certification of the factory. The certification must be valid for a period of three years, unless rescinded or extended in writing by the building official. A request for extension must be provided in writing by the factory.

SECTION 504 THIRD-PARTY INSPECTION AGENCY CERTIFICATION

16.25.504 Third-party inspection agency certification.

504.1 Third-party inspection agency approval. Third-party inspection agencies that perform factory inspections must be approved by the building official. Any third-party inspection agency seeking approval by the building official will submit a third-party inspection manual containing the following:

1. Name and address of the third-party inspection agency making the application.
2. Disciplines for which the third-party inspection agency seeks approval.
3. A list of key personnel indicating their primary functions or duties.
4. The number of years the third-party inspection agency has actively engaged in the business for which it seeks approval.
5. A statement that the third-party inspection agency will adhere to the requirements and the regulations of the building official.
6. A copy of the accreditation certificate, issued by an ISO/IEC 17011-compliant accreditation body that establishes the ability to provide services in accordance with the ISO/IEC 17065 standard for product evaluation or the ISO/IEC 17020 standard for inspection service, as appropriate, or as otherwise accepted by the building official.
7. A statement that: the third-party inspection agency will only utilize properly licensed or certified personnel to perform inspections; inspectors can only inspect in areas in which they are licensed or certified; and unlicensed inspectors can only be used as an inspector in training if the inspector receives a professional license or certification within two years of the date of employment, and training is done by a licensed professional or a certified inspector.
8. A statement that the third-party inspection agency is independent and does not have any actual or potential conflict of interest and is not affiliated with, influenced by, or controlled by, any present or potential client manufacturer in any manner that might affect its capacity to render service or reports of findings objectively and without bias.
9. A written procedure of how the third-party inspection agency will conduct the initial plant certification. At a minimum, the initial plant certification procedure will require 100-percent inspection of all aspects of construction at each phase of construction on not fewer than one

manufactured unit to verify that the factory has a functioning quality assurance process. If the initial manufactured unit fails to conform with the design or standard, additional manufactured units must be inspected until the third-party inspection agency is satisfied that the factory is complying with the approved design, standards, and quality assurance manual. Upon satisfactory completion of the initial plant certification, the third-party inspection agency will provide a written certification report to the factory and the building official.

10. A written procedure of how the third-party inspection agency will conduct ongoing inspections for each manufactured unit after the initial plant certification. The procedure must describe the frequency of inspection for each manufactured unit. At a minimum, each manufactured unit will be inspected at one phase of construction. If deficiencies are observed, additional action will be taken to ensure that the quality assurance process complies with the initial manufacturing plant certification.

11. A statement that a written or electronic inspection report will be provided to the factory after each inspection, identifying each deficiency to the standard or approved design.

12. A procedure for maintaining records to control the agency's insignias. The procedure must include a requirement that insignias only be issued after all deficiencies have been corrected.

13. A procedure to identify all manufactured units produced and inspections performed.

14. Verification of insurance to cover liabilities arising from possible errors and omissions from its operations.

In-lieu of the above items, the third-party inspection agency may submit verification that it has been accepted as a third-party inspection agency as part of a state factory-built housing program which meets or exceeds the codes and standards of the County. An inspection manual meeting the general requirements of this section will be provided.

504.2 Certification. Upon approval of a third-party inspection agency, the building official must provide written certification to the agency. The certification will be valid for a period of three years, unless rescinded or extended in writing by the building official. Requests for extension must be provided in writing by the third-party inspection agency.

SECTION 505 INSPECTIONS

16.25.505 Inspections.

505.1 In-factory inspections. Factory inspections will be conducted by an approved third-party inspection agency. Inspections must verify compliance with approved construction plans, the quality assurance manual, the third-party inspection manual, and all other construction documents. Upon completion of each in-factory inspection, the agency must provide to the building official the following for each manufactured unit:

1. A final inspection report verifying full compliance with code and inspection requirements. The report will list all codes complied with.
2. A list of all remaining work which must be inspected at the building site by County inspectors.

505.2 Building site inspections. Factory-built housing building site inspections must be conducted by County inspectors.

505.3 Inspections by other counties in the State of Hawaii. When authorized by the building official, factory construction occurring in other counties in the state of Hawaii may be inspected by inspectors of the other counties. Inspection requirements and documentation will be determined by the building official. An inspection insignia is not required.

SECTION 506 INSIGNIAS AND DATA PLATE

16.25.506 Insignias and data plate.

506.1 Factory insignia. Each manufactured unit must bear an insignia of approval from the factory containing the following information:

1. Certification statement: "The manufacturer of this unit certifies that to the best of the manufacturer's knowledge this unit has been manufactured in accordance with County of Maui construction codes in effect at the time of construction." Alternate language must be approved by the building official.
2. Identification of factory.
3. Location of factory.
4. Serial number of manufactured units.
5. Date unit manufactured.
6. Plan approval number.

506.2 Third-party inspection agency insignia. Each manufactured unit must bear an insignia of approval from the third-party inspection agency containing the following information:

1. Certification statement: "The manufactured unit bearing this label has been produced under an audited quality assurance program." Alternate language must be approved by the building official.
2. Name of third-party inspection agency.
3. Serial number of manufactured units.
4. Identification of factory.

506.3 Insignia requirements. Insignias must be placed on each manufactured unit. Insignias will meet the following requirements:

1. They are constructed using a metal, aluminum, or other similar material approved by the building official.
2. They are mounted in a manner in which they cannot be removed without being destroyed.
3. They are affixed or applied in the vicinity of the electrical distribution panel or in another location that is readily accessible for inspection.
4. They are approximately four-inches high by six-inches wide.

506.4 Factory data plate. A factory data plate must be provided for each manufactured unit. The following information will be placed on a permanent factory data plate and in a location that is readily accessible for inspection. Where factory-built housing comprises more than one manufactured unit, the factory will have the option of furnishing a single factory data plate for the entire building. The building official must approve the form and location of the factory data plate and will verify that the factory data plate is complete with the following information:

1. Factory name and address.
2. Serial number of each manufactured unit.
3. Manufacture date of each manufactured unit.
4. List of codes and standards under which each manufactured unit was constructed and the type of construction and occupancy classification under those codes and standards.
5. Design live roof load; design live floor load; design wind speed; and seismic design and risk category.
6. Thermal resistance ("R") values.
7. Designation of electrical service ratings and where applicable, identification of permissible type of gas for appliances.
8. Special conditions or limitations concerning the use of the manufactured unit. A list of such conditions or limitations that is furnished separately must comply with this requirement.

9. Special instructions for handling, installation, and erection of the factory-built housing. A list of such instructions that is furnished separately must comply with this requirement.

SECTION 507 OTHER FACTORY-BUILT HOUSING

16.25.507 Other factory-built housing.

507.1 Procedure. The procedures described in this article may be utilized to manufacture housing other than one- or two-family dwellings when authorized by the building official. The building official may modify the procedures as necessary if they meet the intent and purpose of this article. Plans must be reviewed under the normal building permit plan review process unless deemed appropriate by the building official to expand the use of the design registration process for plan review.

SECTION 508 TRANSPORT OF FACTORY-BUILT HOUSING

16.25.508 Transport of factory-built housing.

508.1 Transport. The transport of factory-built housing must be in accordance with the provisions of the County and state traffic codes.”

SECTION 3. This Ordinance takes effect on approval.

APPROVED AS TO FORM AND LEGALITY:

Department of the Corporation Counsel
County of Maui

wai:misc:014abill01:kjh

INTRODUCED BY:

A handwritten signature in cursive script, appearing to read "Alice L. Lee", is positioned above a horizontal line.

ALICE L. LEE

Upon the request of the Mayor.