



## **Preliminary Cost-Benefit Analysis**

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### ***Factory Assembled Structures: Licensed Professional Plan Reviews***

**Chapter 296-150C WAC, Commercial Coaches**

**Chapter 296-150F WAC, Factory Built Housing and Commercial Structures**

**Chapter 296-150P WAC, Recreational Park Trailers**

**Chapter 296-150R WAC, Recreational Vehicles**

**Chapter 296-150V WAC, Conversion Vendor Units and Medical Units**

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*February 22, 2023*

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## CHAPTER 1: Requirements of the Administrative Procedure Act

The Administrative Procedure Act (APA; Chapter 34.05 RCW) requires that, before adopting a significant legislative rule, the Department of Labor & Industries (L&I) must analyze the probable costs and benefits of the rule, and determine that the benefits are greater than its costs, taking into account both the qualitative and quantitative benefits and costs.” RCW 34.05.328(1)(d). Under certain circumstances, a rule or rule component is exempt from this requirement. These exemption criteria are listed in RCW 34.05.328(5)(b), including:

- Emergency rules adopted under RCW 34.05.350;
- Rules relating only to internal governmental operations that are not subject to violation by a nongovernment party;
- Rules adopting or incorporating by reference without material change federal statutes or regulations, Washington state statutes, rules of other Washington state agencies, shoreline master programs other than those programs governing shorelines of statewide significance, or, as referenced by Washington state law, national consensus codes that generally establish industry standards, if the material adopted or incorporated regulates the same subject matter and conduct as the adopting or incorporating rule;
- Rules that only correct typographical errors, make address or name changes, or clarify language of a rule without changing its effect;
- Rules the content of which is explicitly and specifically dictated by statute;
- Rules that set or adjust fees under the authority of RCW 19.02.075 or that set or adjust fees or rates pursuant to legislative standards, including fees set or adjusted under the authority of RCW 19.80.045.

This cost-benefit analysis has been prepared to comply with the APA for the amendment of and creation of rule sections that do not fall under the exemptions described above. The Cost-Benefit Analysis and Least-Burdensome Alternative Analysis in this report are based on the best available information at the time of publication.

The APA also requires L&I to “determine, after considering alternative versions of the rule that the rule being adopted is the least burdensome alternative for those required to comply with it that will achieve the general goals and specific objectives” of the governing and authorizing statutes. RCW 34.05.328(1)(e). Chapter 6 of this document describes that determination.

## **CHAPTER 2: Background of the Proposed Rules**

### **2.1 The background of this rulemaking**

L&I is proposing amendments to the factory assembled structures rules for review and approval of design plans by licensed professional engineers, architects, and firms for commercial coach trailers, factory-built housing and commercial structures, recreational park trailers (also known as park model recreational vehicles and park trailers), recreational vehicles (RVs), and conversion vendor units.

Since 2021, L&I has adopted emergency rules allowing third party reviews by approved licensed professionals to reduce a backlog of design plans for review and approval in the Factory Assembled Structures (FAS) Program. This rulemaking proposes adoption of permanent rules.

The proposed amendments to the rules are in two parts. The first part, proposes amendments to update and clarify existing rules for review and approval of design plans for commercial coaches (chapter 296-150C WAC) and factory-built housing and commercial structures (chapter 296-150F WAC). The second part, proposes amendments that allow licensed professionals to review and approve design plans for recreational park trailers (chapter 296-150P WAC), recreational vehicles (chapter 296-150R WAC), and conversion vendor units (chapter 296-150V WAC), among other changes.

#### **2.1.1 Rule development process**

L&I adopted emergency rules (WSR 22-01-190, WSR 22-09-063, WSR 22-17-070, WSR 23-01-038) in 2021 and 2022 to help reduce the backlog of design plans and address recruitment and retention of plans examiners, while considering adoption of permanent rules.

L&I filed a CR-101 (Preproposal Statement of Inquiry) (WSR 22-17-071) on August 16, 2022.

L&I solicited preliminary comments and feedback on the draft proposed rules from stakeholders and other interested parties. Stakeholders had the opportunity to comment on the draft proposed rules between December 7 and 12, 2022.

L&I seeks the advice of the FAS Advisory Board for all rule changes, which consists of multiple representatives in the industry. The draft proposed rules were shared with the board on November 17, 2022. The board has been supportive of the draft proposed rules as written.

## **2.2 The description of the proposed rules**

### **2.2.1 Determination for significant legislative rules or exemption**

As required by the APA, L&I analyzed proposed rules to determine whether the rules are “significant legislative rules” as defined in RCW 34.05.328(5)(a)(i). This section describes the results of the required analysis.

#### ***2.3.1.1 Changes which are not considered significant legislative rules or are exempt per RCW 34.05.328(5)(b)(iv)***

##### **Chapter 296-150C WAC, COMMERCIAL COACHES**

WAC 296-150C-0310(3) Who can approve design plans?

WAC 296-150C-0420(3), (4), (5) Who can be authorized to approve design plans?

WAC 296-150C-0430(1) through (4) What information must a professional or firm provide to be authorized to approve design plans?

WAC 296-150C-0450(1) How long is a licensed professional or firms authorization effective?

WAC 296-150C-0460, base paragraph, and (4) through (8) What information must a manufacturer provide when a professional or firm does the design-plan approval? WAC 296-150C-0480 Do you have a list of professionals or firms that are authorized to approve design plans?

WAC 296-150C-3000 Commercial coach fees.

##### **Chapter 296-150F WAC, FACTORY-BUILT HOUSING AND COMMERCIAL STRUCTURES**

WAC 296-150F-0310(3) Who can approve design plans?

WAC 296-150F-0420(3) through (5) Who can be authorized to approve design plans?

WAC 296-150F-0430(1) through (4) What information must a professional or firm provide to be authorized to approve design plans?

WAC 296-150F-0450(1) How long is a licensed professional or firm’s authorization effective?

WAC 296-150F-0460, base paragraph and (4) through (8) What information must a manufacturer provide when a professional or firm does the design plan approval?

WAC 296-150F-0480, title and (1) Do you have a list of professionals or firms that are authorized to submit design plans?

WAC 296-150F-3000 Factory-built housing and commercial structure fees.

##### **Chapter 296-150P WAC, RECREATIONAL PARK TRAILERS**

WAC 296-150P-0020 What definitions apply to this chapter?

WAC 296-150P-0315 Who can approve design plans?

WAC 296-150P-3000 Recreational park trailer fees.

## **Chapter 296-150R WAC, RECREATIONAL VEHICLES**

WAC 296-150R-3000 Recreational vehicle fees

## **Chapter 296-150V WAC, CONVERSION VENDOR UNITS AND MEDICAL UNITS**

WAC 296-150V-0800 What codes apply to conversion vendor units or medical units?

WAC 296-150V-3000 Conversion vendor units and medical units – Fees

### ***2.3.1.2 Changes considered significant legislative rules***

## **Chapter 296-150C WAC, COMMERCIAL COACHES**

WAC 296-150C-0450, base paragraph, (3), (4), and (5) How long is a licensed professional or firms authorization effective?

WAC 296-150C-0460(2) What information must a manufacturer provide when a professional or firm does the design-plan approval?

WAC 296-150C-0470 (2) and (3) What happens after we receive the professional or firm approved design plan and information?

## **Chapter 296-150F WAC, FACTORY-BUILT HOUSING AND COMMERCIAL STRUCTURES**

WAC 296-150F-0450, base paragraph, (3), (4), and (5) How long is a licensed professional or firm's authorization effective?

WAC 296-150F-0460(2) What information must a manufacturer provide when a professional or firm does the design plan approval?

WAC 296-150F-0470(1), (2), and (3) What happens after we receive the professional or firm approved design plan and information?

## **Chapter 296-150P WAC, RECREATIONAL PARK TRAILERS**

WAC 296-150P-0315(1) Who can approve design plans?

WAC 296-150P-0520 Who can be authorized to approve design plans?

WAC 296-150P-0530 What information must a professional or firm provide to be authorized to approve design plans?

WAC 296-150P-0540 How will I know whether I am authorized to approve design plans?

WAC 296-150P-0550 How long is a licensed professional or firms authorization effective?

WAC 296-150P-0560 What information must a manufacturer send to the department when a professional or firm does the design-plan approval?

WAC 296-150P-0570, What happens after we receive the professional or firm approved design plan and information?

WAC 296-150P-0580 Do you have a list of professionals or firms that are authorized to approve design plans?

WAC 296-150P-0590 Who approves addendums to design plans approved by a professional or firm?

### **Chapter 296-150R WAC, RECREATIONAL VEHICLES**

WAC 296-150R-0315 Who can approve design plans?

WAC 296-150R-0520 Who can be authorized to approve design plans?

WAC 296-150R-0530 What information must a professional or firm provide to be authorized to approve design plans?

WAC 296-150R-0540 How will I know whether I am authorized to approve design plans?

WAC 296-150R-0550 How long is a licensed professional or firms authorization effective?

WAC 296-150R-0560 What information must a manufacturer send to the department when a professional or firm does the design-plan approval?

WAC 296-150R-0570 What happens after we receive the professional or firm approved design plan and information?

WAC 296-150R-0580 Do you have a list of professionals or firms that are authorized to approve design plans? WAC 296-150R-0590 Who approves addendums to design plans approved by a professional or firm?

### **Chapter 296-150V WAC, CONVERSION VENDOR UNITS AND MEDICAL UNITS**

WAC 296-150V-0310 Who can approve design plans?

WAC 296-150V-0420 Who can be authorized to approve design plans?

WAC 296-150V-0430 What information must a professional or firm provide to be authorized to approve design plans?

WAC 296-150V-0440 How will I know whether I am authorized to approve design plans?

WAC 296-150V-0450 How long is a licensed professional or firms authorization effective?

WAC 296-150V-0470 What happens after we receive the professional or firm approved design plan and information?

WAC 296-150V-0480, Do you have a list of professionals or firms that are authorized to approve design plans?

WAC 296-150V-0490 Who approves addendums to design plans approved by a professional or firm?



## CHAPTER 3: Probable Costs of the Proposed Rules

The estimated costs in this analysis, if any, represent only the new costs of complying with the proposed rules for the affected parties, excluding realized potential costs associated with or originating from the current practices or “baseline” standards under existing laws, rules, or national consensus standards. Accordingly, L&I did not analyze any cost attributed to existing standards or when a standard is not appreciably different from an existing standard.

### 3.1 Quantifiable costs of the proposed rules.

#### Chapter 296-150C WAC, COMMERCIAL COACHES

##### WAC 296-150C-0450

**Rule Overview:** Adds new provisions allowing L&I to suspend or revoke the licensed professional’s (LP) authorization to approve plans for FAS if they submit substandard plans or have a conflict of interest.

**Costs:** There are no additional costs that need to be analyzed. Revocation or suspension would only occur if plans approved by the LP consistently fail to follow established guidelines or building codes. Or, the LP had a conflict of interest prescribed by the engineer/architect licensing laws, and the related WACs, or contrary to what is allowed in the state adopted building code. Costs associated with noncompliance are not analyzed in this report.

##### WAC 296-150C-0450(3)

**Rule Overview:** Adds new provisions allowing L&I to suspend or revoke the licensed professional’s (LP) approval to review plans for us if they submit substandard plans. Establishes a minimum threshold of three or more plans in any one-year period. Adds new language establishing what constitutes an “incomplete plan” as the term is used in this section. Adds new language that provides administrative process and timeline to regain approval and a remedy to hear appeals of a suspension or revocation.

**Costs:** Suspension and revocation will only occur if an LP fails to adhere to established standards. The only additional cost would come from noncompliance. Costs associated with noncompliance are not analyzed in this report.

##### WAC 296-150C-0450(4)

**Rule Overview:** Adds provisions allowing L&I to revoke the licensed professional’s (LP) approval to review plans for FAS if they are found to have a conflict of interest. A conflict of interest would be an act or action prescribed by the engineer/architect licensing laws under chapters 18.43 or 18.08 RCW and the related WACs or contrary to what is allowed in the state adopted building code (chapter 19.27 RCW). Adds new language that provides administrative process and timeline to regain approval and a remedy to hear appeals of any revocations.

**Costs:** Suspension and revocation will only occur if an LP fails to adhere to established standards. The additional cost would come from noncompliance. Costs associated with noncompliance are not analyzed in this report.

#### **WAC 296-150C-0450(5)**

**Rule Overview:** Adds a new provision that establishes what action the agency will take if a licensed professional's (LP) approval is suspended or revoked.

**Costs:** Suspension and revocation will only occur if an LP fails to adhere to established standards. The only additional cost would come from noncompliance. Costs associated with noncompliance are not analyzed in this report.

#### **WAC 296-150C-0470(1)**

**Rule Overview:** Changes to clarify the plan acceptance process used by L&I to review plans submitted by an approved third party reviewer and align it with current practice.

**Costs:** There are no additional costs to this change.

#### **WAC 296-150C-0470(2)**

**Rule Overview:** Changes to provide a process to get substandard plans corrected before they are accepted.

**Costs:** There are no additional costs that need to be analyzed. Additional costs only occur if the submitted plans fail to follow established guidelines. Costs associated with noncompliance are not analyzed in this report.

#### **WAC 296-150C-0470(3)**

**Rule Overview:** Changes to clarify what "design plan requirements" are and the two types of audits L&I may conduct. The first is a random audit, which is essentially the same as a periodic audit in the current rules. The second is an audit targeting a plan that appears to be substandard during the plan acceptance process. It also establishes two conditions under which the FAS Program would audit a plan.

**Costs:** There are no new costs to these changes. Random/periodic audits are an established part of the FAS Program. Targeted audits would only take place if the submitted plans were substandard. Additional costs to business would result from plans that do not follow the established guidelines. Costs associated with noncompliance are not analyzed in this report.

#### **WAC 296-150C-0470(4)**

**Rule Overview:** Clarifies the existing procedures that audits include determining whether a plan complies with the FAS Program's written guidelines, as well as, the provisions of this chapter. Clarifies that we will notify the "applicant" who submitted the licensed professional (LP) approved

plan rather than the LP plan reviewer. Changes language to give the FAS Program discretion to charge the plan fee and approve the plans internally.

**Costs:** There are no additional costs that need to be analyzed. Additional costs only occur if the submitted plans fail to follow the established guidelines. Costs associated with noncompliance are not analyzed in this report.

## **Chapter 296-150F WAC, FACTORY-BUILT HOUSING AND COMMERCIAL STRUCTURES**

### **WAC 296-150F-0450**

**Rule Overview:** Adds new provisions allowing L&I to suspend or revoke the licensed professional's (LP) authorization to approve plans for FAS if they submit substandard plans or have a conflict of interest.

**Costs:** There are no additional costs that need to be analyzed. Revocation or suspension would only occur if plans approved by the LP consistently fail to follow established guidelines or building codes. Or, the LP had a conflict of interest prescribed by the engineer/architect licensing laws, and the related WACs, or contrary to what is allowed in the state adopted building code. Costs associated with noncompliance are not analyzed in this report.

### **WAC 296-150F-0450(3)**

**Rule Overview:** Adds new provisions allowing L&I to suspend or revoke the licensed professional's (LP) approval to review plans for us if they submit substandard plans. Establishes a minimum threshold of three or more plans in any one-year period. Adds new language establishing what constitutes an "incomplete plan". Adds new language that provides administrative process and timeline to regain approval and a remedy to hear appeals of a suspension or revocation.

**Costs:** There are no additional costs that need to be analyzed. Revocation or suspension would only occur if plans approved by the LP consistently fail to follow established guidelines or building codes. Costs associated with noncompliance are not analyzed in this report.

### **WAC 296-150F-0450(4)**

**Rule Overview:** Adds provisions allowing L&I to revoke the licensed professional's (LP) approval to review plans if they are found to have a conflict of interest. A conflict of interest would be an act or action prescribed by the engineer/architect licensing laws and the related WACs or contrary to what is allowed in the state adopted building code. Adds new language that provides administrative process and timeline to regain approval and a remedy to hear appeals of any revocations.

**Costs:** There are no additional costs that need to be analyzed. Revocation or suspension would only occur if the LP is found to have a conflict of interest as defined in the related RCW, WACs, and state building codes. Costs associated with noncompliance are not analyzed in this report.

### **WAC 296-150F-0450(5)**

**Rule Overview:** Adds a new provision that establishes what action the agency will take if a licensed professional's (LP) approval is suspended or revoked.

**Costs:** There are no additional costs that need to be analyzed. Revocation or suspension would only occur if plans approved by the LP consistently fail to follow the established guidelines or building codes, or the LP had a conflict of interest prescribed by the engineer/architect licensing laws, and the related WACs, or contrary to what is allowed in the state adopted building code. Costs associated with noncompliance are not analyzed in this report.

### **WAC 296-150F-0470(1)**

**Rule Overview:** Changes to clarify the plan acceptance process used by L&I to review plans submitted by an approved third party reviewer and align it with current practice.

**Costs:** There are no additional costs to be analyzed.

### **WAC 296-150F-0470(2)**

**Rule Overview:** Changes to provide a process to get substandard plans corrected before they are accepted. The 90-day time frame aligns with internal FAS plan review process under WAC 296-150F-0390.

**Costs:** There are no new costs that need to be analyzed. This subsection allows for resubmission of corrected plans without a formal rejection. Any costs would result from the original submission of substandard plans. Costs resulting from noncompliance are not analyzed in this report.

### **WAC 296-150F-0470(3)**

**Rule Overview:** Changes to clarify what "design plan requirements" are and the two types of audits L&I may conduct. The first is a random audit, which is essentially the same as a periodic audit in the current rules. The second is an audit targeting a plan that appears to be substandard during the plan acceptance process. It also establishes two conditions under which the FAS Program would audit a plan.

**Costs:** There are no new costs to these changes. Random/periodic audits are an established part of the FAS Program. Targeted audits would only take place if the submitted plans were substandard. Additional costs to business would result from plans that do not follow the established guidelines. Costs associated with noncompliance are not analyzed in this report.

### **WAC 296-150F-0470(4)**

**Rule Overview:** Clarifies the existing procedures that audits include determining whether a plan complies with the FAS Program's written guidelines, as well as, the provisions of this chapter. Clarifies that we will notify the "applicant" who submitted the licensed professional (LP) approved plan rather than the LP plan reviewer. Changes language that will allow the FAS Program the discretion to charge the plan fee and approve the plans internally.

**Costs:** There are no additional costs that need to be analyzed. Additional costs would only occur if the submitted plans fail to follow the established guidelines. Costs associated with noncompliance are not analyzed in this report.

## **Chapter 296-150P WAC, RECREATIONAL PARK TRAILERS**

### **WAC 296-150P-0315(1)**

**Rule Overview:** Adds new provisions that allow licensed professionals or firms to approve design plans for recreational park models with restrictions for plans for quality controls manuals which must be reviewed and approved by L&I.

**Costs:** This is an optional alternative process. Manufacturers can continue to use the current L&I process for plan approval if they wish. Since this process is not required, there are no new costs that need to be analyzed.

### **WAC 296-150P-0520**

**Rule Overview:** Adds a new section to establish those licensed professionals (LP) or firms that are authorized to approve design plans and restricts approval for quality control manuals.

**Costs:** This subsection describes the LPs and firms who may participate in this optional process. Therefore, no new costs are incurred.

### **WAC 296-150P-0530**

**Rule Overview:** This new provision outlines the information that licensed professionals (LP) must provide to L&I to receive authorization to review plans for park model RV's.

**Costs:** This sets up the voluntary process of becoming an authorized plan reviewer. Since signing up for this process is not required, there are no new costs that need to be analyzed.

### **WAC 296-150P-0540**

**Rule Overview:** This new section establishes procedures and timeframes for authorizing licensing professionals (LP) or firms to approve design plans. Establishes a remedy for the LP if their authorization to approve plans is denied.

**Costs:** This paragraph creates no new quantifiable costs. Authorization would only be denied if the LP did not meet the minimum standards outlined. Costs associated with noncompliance are not analyzed in this report.

### **WAC 296-150P-0550**

**Rule Overview:** Creates a new section that establishes provisions for when an authorization to approve plans is no longer effective. Adds new provisions allowing L&I to suspend or revoke the licensed professional's (LP) approval to review plans if they submit substandard plans or have a conflict of interest. Establishes a minimum threshold of three or more plans in any one-year period.

Adds new language establishing what constitutes an “incomplete plan”. Adds new language that provides administrative process and timeline to regain approval and a remedy to hear appeals of a suspension or revocation.

**Costs:** There are no additional costs that need to be analyzed. Revocation or suspension would occur if the LP’s license becomes invalid, if plans approved by the LP consistently fail to follow the established guidelines or building codes, or if the LP had a conflict of interest prescribed by the engineer/architect licensing laws, and the related WACs, or contrary to what is allowed in the state adopted building code. Costs associated with noncompliance are not analyzed in this report.

### **WAC 296-150P-0560**

**Rule Overview:** Creates a new section to establish provisions for the information that manufacturers must send to L&I when submitting design plans approved by licensed professionals or firms. Establishes FAS procedures for allowing for electronic submittal of plans and for engineer/architects stamping of plans in accordance with Department of Licensing (DOL) and Engineers Board of Registration requirements.

**Costs:** Any potential costs are based on the manufacturers’ decision to use the optional plan approval process, so there are no new costs that need to be analyzed.

### **WAC 296-150P-0580**

**Rule Overview:** Creates a new section stating that L&I maintains a list of authorized licensed professionals and firms that approve design plans.

**Costs:** There are no additional costs to be analyzed.

### **WAC 296-150P-0590**

**Rule Overview:** Creates a new section that incorporates L&I’s existing procedures for addendums to design plans that were approved by a licensed professional (LP) or firm.

**Costs:** Any potential costs associated with having an LP or firm approve addendum is a result of the manufacturers’ choice to use the optional plan approval process. Therefore, no new costs need to be analyzed.

## **Chapter 296-150R WAC, RECREATIONAL VEHICLES**

### **WAC 296-150R-0315**

**Rule Overview:** Adds new provisions that allow licensed professionals or firms to approve design plans for recreational vehicles with restrictions for plans for quality controls manuals which must be reviewed and approved by L&I.

**Costs:** This is an optional alternative process. Manufacturers can continue to use the current L&I process for plan approval if they wish. Since this process is not required, there are no new costs that need to be analyzed.

### **WAC 296-150R-0520**

**Rule Overview:** Adds a new section to establish those licensed professionals (LP) or firms that are authorized to approve design plans and restricts approval for quality control manuals.

**Costs:** This subsection describes the LPs and firms who may participate in this optional process. Therefore, there are no new costs that need to be analyzed.

### **WAC 296-150R-0530**

**Rule Overview:** This new section outlines the information that licensed professionals (LP) must provide to L&I to receive authorization to review plan for recreational vehicles.

**Costs:** This sets up the voluntary process of becoming an authorized plan reviewer. Since signing up for this process is not required, there are no new costs that need to be analyzed.

### **WAC 296-150R-0540**

**Rule Overview:** This new section establishes procedures and timeframes for authorizing licensing professionals (LP) or firms to approve design plans. Establishes a remedy for the LP if their authorization to approve plans is denied.

**Costs:** This paragraph creates no new quantifiable costs. Authorization would only be denied if the LP did not meet the minimum standards outlined. Costs associated with noncompliance are not analyzed in this report.

### **WAC 296-150R-0550**

**Rule Overview:** Creates a new section that establishes provisions for when an authorization to approve plans is no longer effective. Adds new provisions allowing L&I to suspend or revoke the licensed professional's (LP) approval to review plans for FAS if they submit substandard plans or have a conflict of interest. Establishes a minimum threshold of three or more plans in any one-year period. Adds new language establishing what constitutes an "incomplete plan" as the term is used in this section. Adds new language that provides administrative process and timeline to regain approval and a remedy to hear appeals of a suspension or revocation.

**Costs:** There are no quantifiable cost that need to be analyzed. Revocation or suspension would occur if the LP's license becomes invalid, if plans approved by the LP consistently fail to follow established guidelines or building codes, or if the LP had a conflict of interest prescribed by the engineer/architect licensing laws, and the related WACs, or contrary to what is allowed in the state adopted building code. Costs associated with noncompliance are not analyzed.

### **WAC 296-150R-0560**

**Rule Overview:** Creates a new section to establish provisions for the information that manufacturers must send to L&I when submitting design plans approved by licensed professionals or firms. Establishes FAS procedures for allowing for electronic submittal of plans and for

engineer/architects stamping of plans in accordance with DOL and Engineers Board of Registration requirements.

**Costs:** Any potential costs are based on the manufacturers' decision to use the optional plan approval process, so there are no new costs that need to be analyzed.

#### **WAC 296-150R-0580:**

**Rule Overview:** Creates a new section that explains that L&I maintains a list of authorized licensed professionals and firms that approve design plans.

**Costs:** There are no additional costs to be analyzed.

#### **WAC 296-150R-0590**

**Rule Overview:** Creates a new section that incorporates L&I's existing procedures for addendums to design plans that were approved by a licensed professional or firm.

**Costs:** Any costs associated with having a professional or firm approve addendum is a result of the manufacturers' choice to use the optional plan approval process. Therefore, no new costs need to be analyzed.

### **Chapter 296-150V WAC, CONVERSION VENDOR UNITS AND MEDICAL UNITS**

#### **WAC 296-150V-0310**

**Rule Overview:** Adds new provisions that allow licensed professionals or firms to approve design plans for conversion vendor units (food trucks), excluding medical units.

**Costs:** This is an optional alternative process. Manufacturers can continue to use the current L&I process for plan approval if they wish. Since this process is not required, there are no new costs that need to be analyzed.

#### **WAC 296-150V-0420**

**Rule Overview:** Adds a new section to establish the licensed professionals (LP) and engineers that are authorized to approve design plans.

**Costs:** This subsection describes the LPs and firms who may participate in this optional process. Therefore, no new costs are incurred.

#### **WAC 296-150V-0430**

**Rule Overview:** This new section outlines the information that licensed professionals (LP) must provide to L&I to receive authorization to review plans.

**Costs:** This sets up the voluntary process of becoming an authorized plan reviewer. Since signing up for this process is not required, there are no new costs that need to be analyzed.



#### **WAC 296-150V-0440**

**Rule Overview:** This new section establishes procedures and timeframes for authorizing licensing professionals (LP) or firms to approve design plans. . Establishes a remedy for the LP if their authorization to approve plans is denied.

**Costs:** This paragraph creates no new quantifiable costs. Authorization would only be denied if the LP did not meet the minimum standards outlined. Costs associated with noncompliance are not analyzed in this report.

#### **WAC 296-150V-0450**

**Rule Overview:** Creates a new section that establishes provisions for when an authorization to approve plans is no longer effective. Adds new provisions allowing L&I to suspend or revoke the licensed professional's (LP) approval to review plans for FAS if they submit substandard plans or have a conflict of interest. Establishes a minimum threshold of three or more plans in any one-year period. Adds new language establishing what constitutes an "incomplete plan" as the term is used in this section. Adds new language that provides administrative process and timeline to regain approval and a remedy to hear appeals of a suspension or revocation.

**Costs:** This paragraph creates no new quantifiable costs. Revocation or suspension would occur if the LP's license becomes invalid, if plans approved by the LP consistently fail to follow established guidelines or building codes, or if the LP had a conflict of interest prescribed by the engineer/architect licensing laws, and the related WACs, or contrary to what is allowed in the state adopted building code. Costs associated with noncompliance are not analyzed.

#### **WAC 296-150V-0460**

**Rule Overview:** Creates a new section to establish provisions for the information that manufacturer's must send to L&I when submitting design plans approved by licensed professionals or firms. Establishes FAS procedures for allowing for electronic submittal of plans and for engineer/architects stamping of plans in accordance with DOL and Engineers Board of Registration requirements.

**Costs:** Any potential costs result from the manufacturers' choice to use the optional plan approval process, so there are no new costs that require analysis.

#### **WAC 296-150V-0480**

**Rule Overview:** Creates a new section explaining that L&I maintains a list of authorized Licensed Professionals and firms that approve design plans.

**Costs:** There are no additional costs to be analyzed.

#### **WAC 296-150V-0490**

**Rule Overview:** Creates a new section that incorporates L&I's existing procedures for addendums to design plans that were approved by a licensed professional or firm.

**Costs:** Any costs associated with the having a licensed professional or firm approve addendum is a result of the manufacturers' choice to use the optional plan approval process. Therefore, no new costs need to be analyzed.

## CHAPTER 4: Probable Benefits of the Proposed Rules

### 4.1 Quantitative benefits

All five chapters analyzed in this report contain provisions allowing the electronic submission of plans to be approved by the FAS Program. The new rules allow the submission of one electronic copy of the plans rather than three hard copies, creating savings for licensed professionals. Based on the number of plans that the FAS Program received in 2022, the number of hard copies currently required for each plan submission, the average length of each plan, and the printing cost of \$0.71 per page,<sup>1</sup> the total cost-savings from the electronic submittal of all these 5 types of plans are estimated to be \$86,748 per year (see the table below).

Type of Plan	Number of Plans reviewed	Number of Copies required	Number of Pages per plan	Total Cost Savings
Commercial Coaches (150C)	2	2	50	\$142
Factory Built Structures (150F)	141	3	150	\$45,050
Recreational Park Trailers (150P)	6	2	30	\$256
Recreational Vehicles (150R)	1,059	2	15	\$22,557
Vendor and Medical Units (150V)	264	2	50	\$18,744
				<b>\$86,748</b>

<sup>1</sup> Data source for printing cost: <https://blueprintsprinting.com/pricing/>

Additional saving that accrue from the change in submission requirements are from shipping costs. Using U.S. Postal Service Priority Mail Flat Rate envelopes (\$9.65) for plans with fifteen pages and Flat Rate boxes (\$22.80) for plans with 100 pages,<sup>2</sup> the total shipping cost savings from the electronic submittal of all types of plans is estimated to be \$16,059 per year (see table below).

<b>Type of Plan</b>	<b>Number of Plans submitted</b>	<b>Cost per shipment</b>	<b>Total cost savings</b>
Commercial Coaches (150C)	2	\$9.65	\$19
Factory Built Structures (150F)	141	\$22.80	\$3,215
Recreational Park Trailers (150P)	6	\$9.65	\$58
Recreational Vehicles (150R)	1,059	\$9.65	\$10,219
Vendor and Medical Units (150V)	264	\$9.65	\$2,548
			<b>\$16,059</b>

The total quantifiable benefit from the proposed rule changes is estimated to be \$102,807 per year.

#### **4.2 Qualitative Benefits**

There are two types of benefits from the proposed rules that are noticeable but difficult to quantify.

- Improved clarity and ease of the rules for the regulated entities: The proposed rules for conversion vendor units, RV’s, and park model RV’s (chapters 296-150P, 296-150R, and 296-150V WAC) were developed by incorporating existing rules for design plan reviews for commercial coach trailers and factory-built housing under chapters 296-150C and 296-150F WAC. The proposed rules align under all five chapters using the same processes and procedures. This provides clear and consistent guidance to manufacturers and the licensed professionals they may choose to consult.
- Reduce or prevent the backlog of plan reviews and the delayed inspections that the FAS Program has experienced in the recent years due to staffing shortages: The backlog of design plans for review and approval included all types of structures regulated by the FAS Program, from simple RV trailers to large commercial buildings. The backlog also caused delays of public safety inspections that ensure the structures or units are safe for use. Inspections cannot be done without approved plans. Without inspections, customers cannot operate their businesses and build units to meet manufacturing deadlines and commitments, and face delays in sending products to the customers in the state because they cannot apply

<sup>2</sup> [Notice 123 \(usps.com\)](https://www.usps.com)

a Washington label to models that have not been reviewed and approved. This rulemaking proposes permanent rules to help prevent a future backlog.

## **CHAPTER 5: Cost-Benefit Determination**

The proposed rules under chapters 296-150C, 296-150F, 296-150P, 296-150R, and 296-150V WAC have been assessed for both cost and benefit impact to the affected entities and individuals. With minimal quantifiable costs and more than \$102,807 annual savings to all affected entities, the benefits of these rules outweigh the costs.