ALABAMA MANUFACTURED HOUSING COMMISSION ADMINISTRATIVE CODE

CHAPTER 535-X-15 BONDING AND INSURANCE

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535-X-15-.01 Purpose.

The purpose of this rule is to ensure that manufacturers, retailers, and installers are adequately bonded and insured to assist homeowners in situations when a manufacturer, retailer, or installer has gone out of business or failed to meet their legal or regulatory responsibility to the consumer.
Author: Jim Sloan
Statutory Authority: Code of Ala. 1975, §24-6-4.
History: New Rule: Filed July 27, 2000; effective August 31, 2000; operative January 1, 2001.

535-X-15-.02 Definitions.

(1) General Liability Insurance – A form of insurance that indemnifies against liability on account of injury to the person or property of another.

(2) Surety Bond - A type of bond which protects against loss due to the inability or refusal of an obligor to perform his/her contract.
Author: Jim Sloan
Statutory Authority: Code of Ala. 1975, §24-6-4.
History: New Rule: Filed July 27, 2000; effective August 31, 2000; operative January 1, 2001.

535-X-15-.03 Bonding And Insurance Requirements.

To obtain licensure, manufacturers, retailers, and installers must hold a valid bond and general liability insurance coverage as follows:

Who	*Bond	Insurance
Manufacturer	25K per License Facility or a minimum of 100K	1M
Retailer	25K for 1 to 3 Facilities 50K for more than 3	500K
Installer	20K	100K

*After a periodic review of valid claims, the Comission may decrease or increase the bond requirements.
Author: Jim Sloan
Statutory Authority: Code of Ala. 1975, §24-6-4.
History: New Rule: Filed July 27, 2000; effective January 1, 2001. **Amended:** Filed June 5, 2008; effective July 10, 2008.

535-X-15-.04 Bond Claims.

The Commission shall have the administrative authority to validate and determine the responsible parties for any bond claims.
Author: Jim Sloan
Statutory Authority: Code of Ala. 1975, §24-6-4.
History: New Rule: Filed July 27, 2000; effective August 31, 2000; operative January 1, 2001.

535-X-15-.05 Administrative Cost.

The Commission may establish a schedule of fees to pay the cost of implementing and enforcing these regulations.
Author: Jim Sloan
Statutory Authority: Code of Ala. 1975, §24-6-4.
History: New Rule: Filed July 27, 2000; effective August 31, 2000; operative January 1, 2001.

535-X-15-.06 Penalties And Appeals.

(1) Failure to comply with this chapter may result in the suspension or revocation of the licensee's license to manufacture,

sell, or install homes in Alabama and a fine in an amount not to exceed $1000 for each violation or both.

(2) An appeal for a hearing may be filed in accordance with the procedures in Chapter 535-X-12-.08(2).
Author: Jim Sloan
Statutory Authority: Code of Ala. 1975, §24-6-4.
History: New Rule: Filed July 27, 2000; effective August 31, 2000; operative January 1, 2001. **Amended:** Filed January 7, 2014; effective February 11, 2014.