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BYLAWS

1 **ARTICLE I. MISSION STATEMENT**

3 The mission of the Industrialized Buildings Commission (the "Commission") is to
5 support and enhance productivity, innovation, affordability, and international
7 competitiveness in the American construction industry through nationwide uniformity in
9 codes, rules, regulations and procedures and the elimination of duplication in reviews,
inspections, and fees, while assuring quality, durability, and safety in the built
environment, all in accordance with the Interstate Compact on Industrialized/Modular
Buildings, as enacted by the compacting states (the "enabling legislation"). These bylaws
are adopted pursuant to Article VI of the enabling legislation.

ARTICLE II. OFFICES

11 As provided for in the enabling legislation, the Commission shall establish and
13 maintain an office for the transaction of the Commission's business at the same location
as the office maintained by the secretariat.

ARTICLE III. COMMISSION MEMBERSHIP

15 **Section 1. Classification of Members**

17 As provided for in the enabling legislation, the Commission shall be comprised of the
members classified according to the following definitions.

19 **State Commissioner.** A commissioner appointed by the governor of a compacting
state from amongst the residents of that state, being designated from the state agency
charged with regulating industrialized/modular buildings, or if such state agency does

21 not exist, being designated from among those building officials with the most appropriate
22 responsibilities in the state. Examples of "most appropriate" may include State Building
23 Code Commissioner, State Architect, State Fire Marshal, etc.

Industry Commissioner. A commissioner appointed by the state commissioners
25 from amongst a list of nominees provided by the National Association of Home Builders
Building Systems Councils, with input from other industry associations, to represent
27 manufacturers of residential- or commercial-use industrialized/modular buildings. An
industry commissioner shall have the same powers and duties as all other commissioners
29 except that he may not serve on the Commission's Executive Committee, nor participate
in the voting for industry and consumer commissioners or the removal of commissioners.

31 **Consumer Commissioner.** A commissioner appointed by the state commissioners
to represent consumers of industrialized/modular buildings. A consumer commissioner
33 shall have the same powers and duties as all other commissioners except that he may not
serve on the Commission's Executive Committee, nor participate in the voting for industry
35 and consumer commissioners or the removal of commissioners.

Federal Commissioner. A commissioner appointed to represent the U.S.
37 government, if Federal law authorizes such representation. Such commissioner shall be
appointed by the President of the United States, or in such other manner as may be
39 provided by Congress. The Federal commissioner shall not vote on matters before the
Commission.

41 **Section 2. Alternates**

As provided for in the enabling legislation, each commissioner may designate another
43 official from his state, company, association, or agency to serve as an alternate to act on
behalf of the commissioner at Commission meetings which the commissioner is unable
45 to attend. Alternates shall have the same voting privileges as the commissioner.

Section 3. Standing

47 Each commissioner shall be considered in good standing, unless suspended or
removed.

49 **Section 4. Suspensions and Removals**

State Commissioner. A state commissioner may be suspended or removed in
51 accordance with the laws of his respective state. In addition, a state commissioner must
sign and adhere to the Commission's Code of Ethics. Violations of the Commission's Code
53 of Ethics shall be reported by the Commission's Executive Committee to the governor or
ethics commission of the state commissioner's state for inappropriate action.

55 **Industry and Consumer Commissioners.** Industry and consumer commissioners
may be suspended or removed by a two-thirds majority vote of state commissioners for

57 violation of the Commission's Code of Ethics and/or for failure to attend one of the
Commission's annual meetings in a two year period. Industry and consumer
59 commissioners must sign and adhere to the Commission's Code of Ethics.

Federal Commissioner. The Federal commissioner may be suspended or removed
61 in accordance with relevant Federal laws. The Federal commissioner must sign and
adhere to the Commission's Code of Ethics. Any violation of the Commission's Code of
63 Ethics shall be reported to relevant Federal authorities for appropriate action.

Section 5. Annual Meeting

65 The Commission shall meet annually. The annual meeting shall be held in the month
of January at such time and place designated by the Executive Committee for the purpose
67 of electing officers and for the transaction of such other business as may come before the
meeting. If the day fixed for the annual meeting is a legal national holiday, such meeting
69 shall be held on the next succeeding business day. If the election of officers is not held
on the day designated for any annual meeting, or at any adjournment thereof, the
71 Executive Committee shall cause the election to be held at a meeting of the members as
soon thereafter as conveniently may be held.

73 **Section 6. Special Meetings**

Special meetings of the Commission may be called by the Chairman, with approval
75 of the Executive Committee, or upon the written request of a majority of the
commissioners, at such time and place as may be deemed expedient, upon 30-day written
77 notice to the commissioners. Such notice shall be served by the Chairman.

Section 7. Public Hearings

79 As provided for in the enabling legislation, the Commission and its Rules Development
Committee may schedule, issue public notice, and conduct public hearings at any
81 location which the Commission deems appropriate for the stated purpose of those
hearings. At a minimum, a 30-day advance public notice shall be given for all such
83 hearings. Proceedings of such hearings shall be kept by the Commission.

Section 8. Place of Meetings

85 The Commission and its Executive Committee may designate any place for any annual
meeting, public hearing, or special meeting. If no designation is made, the place of
87 meeting shall be the office of the Commission or its secretariat. All notices of all meetings
of the Commissioners or their Executive Committee may be waived by a written waiver
89 of notice form signed by all persons.

Section 9. Notice of Meetings

91 Written or printed notice stating the place, day, and hour of the meeting, and, in case
of a special meeting, the purpose or purposes for each such meeting, shall be delivered,
93 as provided for herein, either personally or by mail, by or at the direction of the
Chairman, to each Commissioner of record entitled to vote at such a meeting. If mailed,
95 such notice shall be deemed to be delivered when deposited in the United States mail,
addressed to the Commissioner at his address, with postage prepaid. Notice of any
97 special meeting can be dispensed with by unanimous consent of the Commission.

Section 10. Voting

99 A commissioner, except the Federal commissioner, shall be entitled to one vote on all
matters subject to determination by vote, and unless otherwise specified, all matters
101 subject to determination by vote shall be resolved by a majority vote of the commissioners
in attendance.

103 **Section 11. Quorum**

As provided for in the enabling legislation, a majority of the commissioners present
105 at a meeting shall constitute a quorum for the transaction of business.

Section 12. Special Matters

107 Commissioners may vote by giving their mail ballots proxies to the Secretary. The
return of mail ballot proxies from a majority of the commissioners shall constitute a
109 quorum for the transaction of such business. Approval shall require an affirmative vote
by a majority vote of those ballots cast and returned. Mail ballot proxies must be received
111 at the Commission's or its secretariat's headquarters within 30 days of the dated letter
calling for mail ballot proxies in order to be a valid vote.

113 **ARTICLE IV. EXECUTIVE COMMITTEE**

Section 1. General Powers

115 As provided for in the enabling legislation, the Commission shall select an Executive
Committee which functions when the full Commission is not meeting. In that regard, the
117 Executive Committee shall function in a manner consistent with the enabling legislation
and the policies, programs, rules, regulations, and procedures adopted by the
119 Commission.

Section 2. Number, Election and Composition of Executive Committee

121 The Executive Committee shall be elected by vote of the Commission and shall be
comprised of at least three and no more than nine commissioners, selected from the state

123 commissioners. The Commission Chairman shall preside over and serve as an additional
124 member of the Executive Committee, unless the Chairman is elected to serve a term on
125 the Executive Committee.

Section 3. Terms of Office

127 The members of the Executive Committee shall be elected to serve a three year term
of office in staggered terms. To facilitate the establishment of the first Executive
129 Committee, of the first three Executive Committee members elected, one member shall
serve for a one-year term; a second member shall serve for a two-year term; and the third
131 member shall serve for a three-year appointment. There are no limits on the number of
terms to which a state commissioner can be elected to serve on the Executive Committee.

Section 4. Regular Meetings

133 A regular meeting of the Executive Committee shall be held, without other notice than
135 these Bylaws, immediately after and at the same place as the annual meeting of the
Commission. The Executive Committee may provide by resolution the time and place,
137 either within or outside of the Commission's or its secretariat's headquarters, for the
holding of additional regular meetings without other notice than such resolution.

Section 5. Special Meetings

139 Special meetings of the Executive Committee may be called by or at the request of the
141 Commission Chairman, or by a majority vote of the Executive Committee. The person or
persons authorized to call special meetings of the Executive Committee may fix any place
143 as the place for holding any special meeting of the Executive Committee called by them.

Section 6. Notice

145 Notice of any special meeting of the Executive Committee shall be given at least 10
days previous thereto by written notice delivered personally, mailed, or faxed to each
147 member at his business address, or by telegram. If mailed, such notice shall be deemed
delivered when deposited in the United States mail so addressed with postage prepaid.
149 If faxed, such notice shall be deemed delivered when the fax receipt has been
acknowledged by the completion of the faxed call to the addressee's fax number.

151 If notice is given by telegram, such notice shall be deemed to be delivered when the
telegram is delivered to the telegraph company. The attendance of an Executive
153 Committee member at any meeting shall constitute waiver of notice of such meeting,
except where such commissioner attends for the express purpose of objecting to the
155 transaction of any business because the meeting is not lawfully called or convened.
Neither the business to be transacted at, nor the purpose of, any regular or special
157 meeting of the Executive Committee need to be specified in the notice or waiver of notice

of such a meeting.

159 **Section 7. Quorum**

161 A majority of the members of the Executive Committee shall constitute a quorum for
162 the transaction of business provided that if less than a majority of such number of
163 commissioners at said meeting, a majority of the commissioners present may adjourn the
meeting from time to time without further notice.

Section 8. Manner of Acting

165 The act of the majority of the members of the Executive Committee present at a
166 meeting at which a quorum is present shall be the act of the Executive Committee. The
167 members of the Executive Committee may participate in a committee meeting by means
of a conference telephone, TDD, or similar communication equipment by means of which
169 all persons participating in the meeting can communicate with each other, and
participation by such means shall constitute presence in person at such a meeting.

171 **Section 9. Vacancies**

Any vacancy occurring among the members of the Executive Committee and any
173 committee membership to be filled by reason of an increase in the number of members
on the Executive Committee may be filled by the affirmative vote of a majority of the
175 members of the Executive Committee then in office, even if less than a quorum of the
Executive Committee. A member of the Executive Committee so elected shall be elected
177 for the unexpired term of his predecessor in office or for the full term of such new
member.

179 **Section 10. Presumption of Assent**

A member of the Executive Committee who is present at a meeting of the Executive
181 Committee at which action on any Commission matter is taken shall be presumed to have
assented to the action taken unless his dissent shall be entered in the minutes of the
183 meeting or unless he shall file his written dissent to such action with the person acting
as the secretary of the meeting, before the adjournment thereof, or shall forward such
185 dissent by registered or certified mail to the Commission Chairman immediately after the
adjournment of the meeting. Such right to dissent shall not apply to a member of the
187 Executive Committee who voted in favor of such action.

Section 11. Informal Action by Executive Committee

189 Any action required by law to be taken at a meeting of the Executive Committee, or
any action which may be taken at the meeting of the Executive Committee or a committee
191 of commissioners, may be taken without a meeting if a consent in writing setting forth

193 the action so taken shall be signed by all of the members of the Executive Committee or
all of the committee, or commissioners, as the case may be.

ARTICLE V. OFFICERS OF THE COMMISSION

195 Section 1. Officers

197 As provided for in the enabling legislation, the officers of the Commission shall consist
of a Chairman, Vice Chairman, and a Treasurer. The officers shall be elected annually
from amongst all of the commissioners.

199 Section 2. Chairman

The Chairman shall be the principal executive officer of the Commission and shall,
201 in general, supervise and control all of the business and affairs of the Commission,
subject to the general powers of the enabling legislation and the Commission's Executive
203 Committee. The Chair shall be an additional member of and shall preside over the
Executive Committee and Commission meetings. The Chairman may sign, with the
205 Treasurer, or any other proper officer of the Commission thereunto authorized by the
Executive Committee, deeds, mortgages, contracts, or other instruments which the
207 Executive Committee, pursuant to the enabling legislation, has authorized to be executed,
except in cases where the signing and execution thereof shall be expressly delegated by
209 the Executive Committee or by these bylaws to some other officer or agent of the
Commission, or shall be required by law to be otherwise signed or executed.

211 The Chairman, in general, shall perform all duties incident to the office of Chairman
and such other duties as may be prescribed by the Executive Committee and Commission
213 from time to time.

Section 3. Vice Chairman

215 In the absence of the Chairman or in the event of his inability, resignation, removal,
retirement, death, or refusal to act, the Vice Chairman shall perform the duties of the
217 Chairman, and when so acting, shall have all the powers of and be subject to all the
restrictions upon the Chairman. The Vice Chairman may sign instruments with the
219 Treasurer and shall perform such other duties as from time to time may be assigned to
him by the Chairman or by the Executive Committee.

221 Section 4. Secretary

The Secretary shall be designated by the secretariat from among the employees of the
223 secretariat. The Commission shall have the right to accept or reject the individual named
by the Secretariat to serve as Secretary. The Secretary shall possess all of the
225 administrative powers and responsibilities assigned to him by the Commission. The

227 Secretary to the Commission may select, with the Commission's concurrence, assistants
to assist in carrying out the functions of the Secretary.

Section 5. Treasurer

229 If required by the Executive Committee, the Treasurer shall furnish a bond for the
faithful discharge of his duties in such sum and with such surety or sureties as the
231 Executive Committee shall discharge. The Treasurer shall have charge and custody of
and be responsible for all funds and securities of the Commission, shall receive and give
233 receipts for monies due and payable to the Commission, and shall deposit all such monies
in the name of the Commission in such banks, trust companies, or other depositories as
235 provided for in the enabling legislation and these Bylaws. The Treasurer shall, in general,
perform all duties incident to the office of Treasurer and such other duties as from time
237 to time may be assigned to him by the Chairman or the Executive Committee.

239 Under the direct supervision of the Chairman, many of the functions of the Treasurer
may be delegated to the Secretariat by the Commission.

Section 6. Election and Term of Office

241 As provided for in the enabling legislation, the commissioners shall elect from
amongst its members a Chairman, Vice Chairman, and a Treasurer. This election shall
243 be held at the annual meeting of the Commission. If the election of the officers shall not
be held at such a meeting, such election shall be held as soon thereafter as conveniently
245 may be. Vacancies may be filled or new offices created and filled at any meeting of the
Commission. Each officer shall hold office until his successor shall have been duly
247 elected and qualified, or until his death, or until he may resign or shall have been
removed in the manner hereinafter provided. The election or appointment of an officer
249 or agent shall not of itself create contract rights.

Section 7. Removal

251 Any officer or agent may be removed by a two-thirds vote of Commission whenever
that individual has failed to fulfill the responsibilities of his office and/or violates the
253 terms of the Commission's Code of Ethics. Removal of any officer may be effected at an
annual or special meeting of the Commission after notice has been given as provided
255 herein. Such removal shall be without prejudice to contract rights, if any, of the person
so removed.

Section 8. Vacancies

257 A vacancy in any office because of death, resignation, removal, disqualification, or
259 otherwise, may be filled by the Executive Committee of the Commission until such time
as the Commission shall hold its next annual election of officers.

261

ARTICLE VI. SECRETARIAT

Section 1. Appointment of Secretariat

263 As provided for in the enabling legislation, the Commission by majority vote shall
select a secretariat.

265 Section 2. Duties

The Commission shall fix and determine the duties and the compensation of the
267 Secretariat. The Secretariat shall serve as the administrative department of the
Commission. Under the direction of the Secretary, the Secretariat shall administer the
269 delegated business of the Commission in accordance with the policies of the Commission
and its Executive Committee. The Secretary shall have full charge of those duties which
271 shall be enumerated by terms of a contract between the Secretariat and the Commission.
Among those duties shall be responsibility to coordinate the Commission's collection of
273 label fees; maintenance of records; schedule and provide logistical support for the
meetings of the Commission; handle the minutes and correspondence of the Commission
275 and its committees; and the development of support materials for the Commission to
conduct its business as provided for in the enabling legislation. The Secretary shall
277 perform other duties as may be required of him by the Commission and its Executive
Committee. In the event of a vacancy in the Secretary provided by the secretariat to the
279 Commission, the Commission shall request the secretariat to designate another qualified
individual to serve in that capacity.

281 Section 3. Use of Qualified State Labor

The Commission directs its secretariat whenever possible to make maximum use first
283 of qualified state labor to perform functions called for in the "Model Rules and
Regulations" and the "Uniform Administrative Procedures" of the Commission.

285 Section 4. Bond and Code of Ethics

The secretariat shall be required to furnish a bond in an amount satisfactory to the
287 Executive Committee of the Commission, but not less than \$100,000. The premium for
such bond shall be paid for by the Commission. In addition, the Secretary shall be
289 required to sign and adhere to the Commission's Code of Ethics.

Section 5. Qualifications of Technical Staff

291 All technical staff, either state or secretariat, which are engaged under the "Uniform
Administrative Procedures" and/or "Model Rules and Regulations" in auditing or at least
293 oversight of inspection or evaluation agencies or manufacturers, must have the same
certifications and/or technical requirements of those individuals being audited.

295 **Section 6. Removal**

297 Under the terms of the Commission's contract with its secretariat, the Commission
shall have the authority to suspend or terminate that service contract for non-
299 performance or for malfeasance. The Executive Committee shall have the authority to
suspend, dismiss, or otherwise require the replacement of the individual provided by the
secretariat to serve as Secretary. Removal shall be for non-performance or malfeasance
301 in office for violation of the Commission's Code of Ethics.

ARTICLE VII. COMMISSION RULES ADOPTION PROCEDURE

303 **Section 1. General Procedures**

As provided for in the enabling legislation, the Commission may adopt rules,
305 regulations, and procedures, set fees, and carry out other authorized activities which are
necessary to conduct the business of the Commission and its interstate reciprocity
307 program for industrialized/modular buildings. In this latter area, the Commission shall
develop and adopt under the procedures set forth in this Article, all such rules,
309 regulations, and procedures, and coordination of enforcement procedures as are
necessary for interstate reciprocity. In the development and adoption of all such rules,
311 regulations, and procedures, the Commission shall follow one of the following two
procedures. The Commission shall determine which of these two procedures shall be
313 followed and state in writing the reasons as to why one specific procedure was selected
over the other.

315 **Section 2. Standard Adoption Procedures**

As provided for in the enabling legislation, the standard procedure for the adoption
317 of rules, regulations, and procedures, setting of fees, and other actions of the Commission
shall be conducted following the development of draft documents by the Commission's
319 Rules Development Committee, one of the Commission's other standing committees, or
the Commission's secretariat. Thirty days prior to the start of the development of such
321 documents, as appropriate, the Commission or its Rules Development Committee may call
for a public hearing to gain additional public input on the documents that are to be
323 developed for the Commission's subsequent adoption and administration. Input received
from public notice and at any public hearing shall be provided to the Commission or the
325 Rules Development Committee by the secretariat. The call for a public hearing shall be
determined by the Executive Committee.

327 As provided for in the enabling legislation, recommendation for action on these
subsequently developed draft documents will be forwarded to the Commission from the
329 Rules Development Committee. The Commission may schedule a follow-up public hearing
to gain public comment on the recommended rules, regulations, and procedures which

331 it has received from the Rules Development Committee.

332 Following the public hearing on the recommended rules, regulations, and procedures,
333 the Commission shall schedule and conduct either a special or regular meeting at which
334 final action will be taken on these recommended rules, regulations, and procedures.
335 Adoption of the final rules, regulations, and procedures shall be by a simple majority vote
336 of all commissioners present and voting, provided that there is a quorum present to
337 conduct business. Any changes made to the recommended rules, regulations, and
338 procedures forwarded to the Commission by the Rules Development Committee by the
339 Commission in its final adoption action, will be explained in writing by the Commission
340 Chairman to the membership of the Rules Development Committee. Such written
341 explanation shall become a part of the public record of the activities of the Commission.
342 Furthermore, the Rules Development Committee shall receive a briefing on those changes
343 from the Commission Chairman at the Rules Development Committee's next scheduled
344 meeting.

345 Written public notification of the Commission's adoption of rules, regulations and
346 procedures shall be published in the relevant state journals/registers of the state
347 commissioners at the earliest date possible. Such notice shall include an outline of the
348 action taken by the Commission and a note that the Commission's findings shall be
349 available for public examination at the offices of the Secretariat during regular business
350 hours.

351 **Section 3. Emergency Adoption Procedures**

352 It is anticipated that on rare occasions, it shall be in the public interest for the
353 Commission to take immediate emergency action in developing, adopting or amending
354 rules, regulations, or procedures of this interstate compact. Such action may be initiated
355 by the call of the Executive Committee or the Commission Chairman. Immediately
356 following the decision for consideration of such action, the Commission shall authorize
357 the implementation of these emergency adoption procedures only by a two-thirds majority
358 vote conducted at a Commission meeting or by letter ballot.

359 Under these emergency procedures, the Commission shall develop and adopt
360 emergency action in consultation with the members of the Commission's Rules
361 Development Committee. Public notice of the Commission's action, including a call for
362 a 30-day public comment period, will only be issued once action has been completed. As
363 with the Standard Adoption Procedures, formal public notice of the Commission's action
364 shall appear in the state journals/registrars of the state commissioners.

365

ARTICLE VIII. COMMISSION COMMITTEES

Section 1. Statutory Committees

367 As provided for in the enabling legislation, there are two statutory committees; the
Executive Committee and the Rules Development Committee. The Commission has the
369 authority to develop and appoint any other advisory, coordinating, or technical
committees it deems necessary to conduct the Commission's business.

371 **Section 2. Rules Development Committee**

The Commission shall establish an 11-member, consensus-based Rules Development
373 Committee. The composition of this committee shall be four states, four manufacturers,
one third party inspection agency, and two consumers. The terms of the Rules
375 Development Committee initially shall be for two and three years, divided five members
for two years and six members for three years, by lot, and then for three years thereafter.
377 The Commission, by majority vote, shall establish and carry out appropriate selection
criteria and the initial two- and three-year appointments assignments. The Commission
379 shall also develop procedures for the removal of a Rules Development Committee member
for non-participation in meetings or violation of the Commission's Code of Ethics.

381 The Rules Development Committee shall have a Chairman and Vice Chairman who
shall be elected by majority vote of the membership of the Rules Development Committee.
383 In the event that the Chairman shall resign or otherwise be unable to perform his duties,
the Vice Chairman shall succeed as Chairman.

385 Each member of the Rules Development Committee may appoint from his respective
state, company, or organization one qualified individual who may serve as that member's
387 alternate to attend and participate as a full member of the Rules Development Committee
should the appointed member be unable to attend a meeting. There shall be no other
389 substitutes allowed for appointed members of the Rules Development Committee.

A quorum for the Rules Development Committee to conduct business shall be a
391 simple majority of the total membership of the Committee being present. Votes on
procedural matters shall be by a simple majority of those members present once a
393 quorum has been established. Motions regarding work product documents or major
policy issues shall be by a majority of the full membership. Letter ballots are allowed only
395 on matters falling into this latter category. All such letter ballots must go out to all
committee members, along with relevant documents upon which action is being
397 considered, at least 15 days prior to a scheduled meeting. In order to be valid, responses
to all such letter ballots must be received by the Commission or its secretariat prior to the
399 scheduled meeting.

Section 3. Advisory, Coordinating, Technical Committees and Task Forces

401 As provided for in the enabling legislation, the Commission and its Rules Development
402 Committee shall be assisted in their work by advisory committees such as from time to
403 time the Commission shall, by majority vote, agree to develop and appoint. As noted in
404 Section 8 of this Article, those committees or task forces not listed in these Bylaws shall
405 be termed "Special Committees" of the Commission and shall have a life not to exceed two
406 years. These "Special Committees," however, may be reappointed for an additional two-
407 year period by the Commission by a two-thirds majority vote. Other standing committees
shall be created by amending these Bylaws.

409 **Section 4. Consumer Advisory Committee**

To assist the Commission and its Rules Development Committee in the development
411 and maintenance of an effective consumer complaint and consumer protection system for
the interstate compact and in other activities there shall be appointed by the Commission
413 a Consumer Advisory Committee. Appointments are for a two-year term. A consumer
member of the Rules Development Committee shall act as secretary/liaison to the
415 Consumer Advisory Committee. Membership on this body is open to all consumers and
organizations representing consumer concerns for those who live in/own residential or
417 commercial industrialized buildings.

The members of this advisory group may meet from time to time, at their own
419 expense, to develop, review, and comment upon rules, regulations, and procedures being
developed by the Rules Development for the adoption and use by the Commission. This
421 body shall elect from its membership a Chairman and Vice Chairman who shall serve for
a two-year term of office. A quorum for the Consumer Advisory Committee to conduct
423 business shall be a simple majority of the total membership of the Committee being
present. Recommendations from this body are non-binding and shall be by simple
425 majority vote. Recommendations shall be forwarded as appropriate to the Rules
Development Committee and/or the Commission.

427 **Section 5. Third Party Advisory Committee**

To assist the Commission and its Rules Development Committee in their development
429 of rules, regulations, and procedures, there shall be appointed by the Commission a Third
Party Advisory Committee. Appointments are for a two-year term. The third party agency
431 member of the Rules Development Committee shall serve as secretary/liaison to this
advisory committee. Membership on this body is open to all private and public third party
433 agencies participating in the oversight of the design and/or construction of industrialized
buildings. The Commission shall appoint such qualified members as it may deem
435 necessary. There is no limit to the number of members who may serve on this body.

437 The members of this advisory group may meet from time to time, at their own
expense, to develop, review, and comment upon rules, regulations and procedures being
439 developed by the Rules Development Committee for the adoption and use by the
Commission. This body shall elect from its membership a Chairman and a Vice
441 Chairman who shall serve for a two-year term of office. A quorum for the Third Party
Advisory Committee to conduct business shall be a simple majority of the total
membership of the Committee being present. Recommendations from this body to the
443 Rules Development Committee or the Commission are non-binding and shall be by simple
majority vote.

445 **Section 6. State Advisory Committee**

To assist the Commission and its Rules Development Committee in their development
447 of rules, regulations and procedures, the Commission has appointed the National State
Industrialized/Modular Buildings Administrators Committee of the National Conference
449 of States on Building Codes and Standards, Inc. as the State Advisory Committee to the
Commission on matters related to state regulatory and administrative authority. A state
451 member of the Rules Development Committee shall act as secretary/liaison to this body
which is comprised of states having overall responsibility for the regulation of
453 industrialized buildings.

The members of this advisory body may meet from time to time, at their own expense,
455 to develop, review, and comment upon rules, regulations, and procedures being developed
by the Rules Development Committee for the adoption and use by the Commission. The
457 Chairman and Vice Chairman of this body shall be set in accordance with the existing
NCSBCS procedures. A quorum for the State Advisory Committee to conduct business
459 shall be a simple majority of the total membership of the Committee being present.
Recommendations from this body are non-binding and shall be forwarded as appropriate
461 to the Rules Development Committee or the Commission.

Section 7. Industry Advisory Committee

463 To assist the Commission and its Rules Development Committee in their development
of rules, regulations, and procedures, there shall be appointed by the Commission a 24-
465 member Industry Advisory Committee. An industry member from the Rules Development
Committee shall act as secretary/liaison to the Industry Advisory Committee.
467 Membership on this advisory committee shall be balanced by commercial and residential
manufacturers (three each) from the four market regions. Membership shall be limited
469 to officers, owners, and employees of manufacturers. Committee members shall serve for
a one-year term.

471 The members of this advisory body may meet from to time to time, at their own
expense, to discuss, review, comment upon rules, regulations, and procedures being

473 developed by the Rules Development Committee for the adoption and use by the
Commission. This body shall elect from its membership a Chairman and Vice Chairman
475 who shall come from the two different segments of this industry. The Chairman and Vice
Chairman shall serve for a one-year term. A quorum for the Industry Advisory Committee
477 to conduct business shall be a simple majority of the total membership of the Committee
being present. Recommendations from this body are non-binding and shall be forwarded,
479 as appropriate, to the Rules Development Committee or the Commission.

Section 8. Special Committees

481 Special committees or task forces may be appointed by the Commission Chairman,
with the approval of the Executive Committee. The life of a special committee shall not
483 exceed two years unless, by a majority vote of the Commission, it shall be reapproved for
an additional two years.

Section 9. Support Staff

485 At the specific direction of the Commission Chairman, with the concurrence of the
Commission, the secretariat shall provide staff support to each of the statutory and
487 special committees of the Commission.

Section 10. Cooperation Among Committees

489 All statutory and special committees shall cooperate with other committees of the
491 Commission as need requires.

ARTICLE IX. FINANCES

Section 1. Management

493 Subject to the oversight of the Commission, the finances of the Commission shall be
495 managed by the Executive Committee and the Treasurer of the Commission. These
management functions shall be overseen by the Commission and may be delegated by the
497 Executive Committee in total or in part to the secretariat.

Section 2. State Annual Assessments

499 As provided for in the enabling legislation, until such time as all costs of the
Commission shall be covered by the income received from the sale of Commission labels,
501 each member state in the Commission shall receive and be responsible for paying an
annual state assessment to cover those costs. The formula for determining those
503 assessments contained in the enabling legislation shall be followed by all Commission
members.

505 **Section 3. Label Fees**

507 The Commission shall set the label fees in consultation with the Rules Development
509 Committee. These fees shall cover all Commission and relevant member state modular
509 regulation costs, and over time reimburse member states for any state annual
509 assessments paid under Section 2 of this Article.

Section 4. Budget

511 The Executive Committee, together with the Treasurer, shall work directly with the
513 Commission's secretariat to establish an annual budget. That budget will be presented
513 for ratification by the Commission at its annual meeting.

Section 5. Expenditures

515 The Executive Committee and Treasurer may authorize the secretariat to commit the
517 expenditure of Commission funds in accordance with the Commission's adopted annual
517 budget. In conducting the financial affairs of the Commission, the Executive Committee,
519 Treasurer, and Secretariat shall be responsible to the Commission for seeing that proper
519 accounting practices are followed. These practices, as well as all financial records of the
519 Commission, shall be audited annually.

521 **Section 6. Audits**

523 The secretariat shall submit to the Executive Committee and the Treasurer a quarterly
523 statement of revenues and expenditures of the Commission, shall have the books of the
525 Commission audited annually by a certified public accountant, and shall submit a report
525 of said audit to the Executive Committee and to the Commission at the annual meeting.
527 The expense of said audit shall be paid for by the Commission. Copies of the annual
527 audit also shall be shared with relevant officials of each compact member state for their
527 review and consideration.

529 **Section 7. Access to Books and Records**

531 The members of the Commission shall have access to the books and records of the
531 Commission at appointed times, as arranged by said member or members seeking access
533 to said books and records with the secretariat. Said requests for review of the books and
533 records of the Commission shall be at reasonable times and at reasonable places.

Section 8. Fiscal Year

535 The fiscal year of the Commission shall be from July 1 to June 30 of each year.

Section 9. Reserves

537 The Executive Committee may establish such reserves of funds to meet the needs of
the Commission as it deems prudent. Said reserves shall be established through the use
539 of the Commission's depository bank through the secretariat. At the discretion of the
Commission, funds of the Commission that are idle may be invested for such periods as
541 to meet the needs of the Commission.

ARTICLE X. CONTRACTS, LOANS, DEPOSITS AND ACQUISITION OF PROPERTY

543 **Section 1. Contracts**

Between meetings of the Commission, the Executive Committee may authorize the
545 Chairman and Treasurer to enter into any contract or execute and deliver any instrument
in the name and on behalf of the Commission, and such authority may be general or
547 confined to specific instances.

Section 2. Loans

549 No loans shall be contracted on behalf of the Commission and no evidence of
indebtedness shall be issued in its name unless authorized by a resolution of the
551 Commission. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, Etc.

553 All checks, drafts, or other orders for the payment of money, notes, or other evidences
of indebtedness issued in the name of the Commission, shall be signed by such officer or
555 officers, agent, or agents of the Commission and in such a manner as shall, from time to
time, be determined by a resolution of the Executive Committee.

557 **Section 4. Deposits**

All funds of the Commission not otherwise employed shall be deposited from time to
559 time to the credit of the Commission in such banks, trust companies, or other
depositories as the Executive Committee may select.

561 **Section 5. Acquisition of Real Property**

The Commission may authorize any officer, agent, or agents to enter into any
563 agreements or execute and deliver any instrument relative to the acquisition, sale
transfer, or conveyance of real property to the Commission. Any instrument of
565 conveyance as to real property shall be executed by the Chairman of the Commission, and
accompanied by a resolution of authority from the Commission.

567 **Section 6. Acceptance of Private Funds**

569 The Executive Committee may authorize, in accordance with the Commission's Code
of Ethics, the acceptance of gifts, grants, matching monies, or direct payments from
571 public or private agencies or private persons and enterprises for the support or conduct
of programs which are consistent with the general purposes and Mission Statement of the
Commission.

573 **Section 7. Acceptance, Borrowing, or Contracting for Services of State Personnel**

As provided for in the enabling legislation, the Executive Committee may by majority
575 vote accept, borrow, or contract for the services of personnel from any state of the United
States, or any subdivision or agency thereof, from any interstate agency, or from any
577 institution, association, person, firm, or corporation.

ARTICLE XI. RELATIONSHIPS WITH OTHER STATES AND ORGANIZATIONS

579 As an entity of state government, the Commission may establish a working
relationship with other associations representing state government or agencies of Federal,
581 state, or local governments, deemed to have mutual interest in the objectives of the
Commission.

583 **ARTICLE XII: INTERIM RECIPROCAL AGREEMENT**

Interim Reciprocal Agreement is a formal agreement between a non-compacting state
585 and the member states of the Industrialized Buildings Commission, wherein the non-
compacting state agrees that the labels affixed to industrialized/modular building units,
587 constructed in member states, shall evidence compliance with the Act and these rules and
regulations, and that the enforcement is in accordance with the uniform administrative
589 procedures adopted by the Industrialized Buildings Commission. Those buildings shall
be accepted by the non-compacting states and its subdivisions, to permit installation and
591 use of those buildings.

Section 1: Procedures for Granting and Revoking Interim Reciprocal Agreement

593 If the Commission determines that the standards for industrialized/modular buildings
prescribed by statute, rules, or regulations of the non-compacting state or governmental
595 agency are at least equal to these rules and regulations, and that such non-compacting
state standards are enforced by the non-compacting state in accordance with the uniform
597 administrative procedures, industrialized/modular buildings approved by such a non-
compacting state shall be deemed to have been approved by all compacting states for
599 placement in those states in accordance with the procedures prescribed by the

601 Industrialized Buildings Commission. An informational copy of the interim reciprocity
state's approved plans for the buildings to be located in the member state shall be
submitted to the Industrialized Buildings Commission.

603 The Industrialized Buildings Commission shall suspend or revoke, or cause to be
suspended or revoked, its acceptance or certification for both of the non-compacting
605 state's certified industrialized/modular buildings or building components, if it determines
that the standards for the manufacturer and inspection of such industrialized/modular
607 buildings or building components of such non-compacting state or governmental agency
do not meet the objectives of the interstate compact enabling legislation and these rules
609 and regulations, or that such standards are not being enforced to the satisfaction of the
Industrialized Buildings Commission.

611 If the Industrialized Buildings Commission should suspend or revoke its approval and
certification of a non-compacting state, the interim reciprocal agreement granted under
613 this part shall be revoked or suspended, accordingly. Notice to the manufacturer(s), the
third party agencies, and the non-compacting state or governmental agency of such
615 suspension or revocation shall be in writing with the reasons for such suspension or
revocation set forth therein. Appeals of the suspension or revocation shall receive timely
617 review by the Industrialized Buildings Commission.

A non-compacting state shall have a 2-year period in which to adopt the interstate
619 compact enabling legislation. If a non-compacting state has not successfully passed the
enabling legislation 12 months after a non-compacting state has been granted an interim
621 reciprocal agreement, written notification shall be forwarded to the governor's office of the
state being affected, indicating that 12 months remain to successfully pass legislation.

623 If a non-compacting state does not adopt interstate compact enabling legislation to
become an active member state within two years of receiving their interim reciprocal
625 agreement approval, under this part, the interim reciprocal agreement shall be
automatically revoked. However, the Commission may, for cause, extend this interim
627 reciprocal agreement for one additional year. The Commission shall provide to the non-
compacting state a set of standards for determining such cause.

629 The revocation of this agreement shall be sustained until such time the state being
revoked successfully adopts interstate compact enabling legislation. Notice of such
631 revocation shall be in writing and also forwarded to the governor's office of the state being
revoked.

633 **ARTICLE XIII. MEDIATION AND ARBITRATION**

As provided for in the enabling legislation, the Commission shall establish and
635 maintain an interstate reciprocity system for those state's whose industrialized buildings
regulatory programs have adopted and incorporated the rules, regulations, and

637 procedures of the Commission, or whose rules, regulations, and procedures have been
determined by the Commission to be substantially consistent with those of the
639 Commission and, therefore, eligible to engage or remain in reciprocity with the
Commission.

641 In the event that a member state does not concur with either the findings of the
Commission in this regard, or does not concur with the Commission regarding any
643 actions that the Commission may take in conducting its label program, then that state
shall submit its disagreement with the Commission to either mediation or arbitration, as
645 described under the provisions of this Article. The determination as to which procedures
to use is left up to the discretion of the affected state.

647 **Section 1. Mediation**

The Commission and the non-concurring state shall each appoint one person to serve
649 as a mediator. A third mediator shall be selected by the first two mediators from a list of
mediators compiled by the American Arbitration Association. This body shall mediate the
651 disagreement in an attempt to reach a voluntary settlement of the disagreement.

Section 2. Arbitration

653 The Commission and the non-concurring state shall each appoint one person to serve
as an arbitrator. These arbitrators can be selected from whatever sources the parties
655 deem appropriate and need not be selected from lists compiled by the American
Arbitration Association. A third arbitrator shall be selected by the first two arbitrators
657 from a list compiled by the American Arbitration Association. After the selection of three
arbitrators as aforesaid, the dispute shall then be settled by arbitration in accordance
659 with the Commercial Arbitration Rules of the American Arbitration Association, and
judgment upon the award rendered by the arbitrators may be entered in any court having
661 jurisdiction thereof.

ARTICLE XIV. ANNUAL REPORTS TO MEMBER STATES

663 As provided for in the enabling legislation, the Commission shall prepare and submit
to the governors and legislatures of each member state an annual report detailing the
665 work activities, actions, and financial status of the Commission. Such reports shall be
issued at each annual meeting of the Commission.

667 **ARTICLE XV. WAIVER OF NOTICE**

When any notice is required to be given to any member of the Commission or its
669 Executive Committee under the provisions of these Bylaws, a waiver thereof in writing,

signed by the person or persons entitled to such notice, whether before or after the time
671 stated therein, shall be equivalent to the giving of such notice.

ARTICLE XVI. AMENDMENTS

673 These Bylaws may be amended by the members of the Commission at any annual or
special meeting. Proposed amendments must be submitted by any commissioner to the
675 secretariat 45 days prior to the annual or special meeting for transmittal to the
commissioners no later than 30 days prior to the annual or special meeting. Proposed
677 Bylaws amendments must be approved by two-thirds vote of all Commissioners present
and voting.

ARTICLE XVII. ORDER OF MEETINGS

679 All meetings provided for herein shall be conducted according to Robert's Rules of
681 Order Modified, except as otherwise authorized by the full Commission or the
Commission's Executive Committee.

ARTICLE XVIII. GENDER

683 The terms "he," "his," and "Chairman" are not gender specific. The terms refer to both
685 masculine and feminine persons.

Bylaws as approved December 10, 1992; amended December 3, 1993.