



**OHIO HOUSE OF REPRESENTATIVES
FINANCE COMMITTEE**

**TIM WILLIAMS, EXECUTIVE DIRECTOR
OHIO MANUFACTURED HOMES ASSOCIATION
APRIL 5, 2017**

**HB 49--MAINTAIN OHIO MANUFACTURED HOMES COMMISSION
EXISTING LAW**

Chairman Smith, Vice Chair Ryan, Ranking Member Cera and members of the Committee

I am Tim Williams, Executive Director of the Ohio Manufactured Homes Association (OMHA). Since 1947 the Association has represented all business segments of the manufactured homes (MH) industry. Nearly 1 million Ohioans live in manufactured homes.

The Association supported the General Assembly's consolidation in recent years of a one stop shop for all manufactured homes regulation under the Manufactured Homes Commission.

Yet, as proposed in HB 49, the Manufactured Homes Commission (MH Commission) will be abolished. All regulation will be relegated to layers of bureaucracy within the Department of Commerce (DOC).

Appropriations and Expenses-Comparisons

Manufactured Homes Commission

FY 19 Annual Appropriation/Expense--\$795,000



The MH Commission’s actual expenses in the last fiscal year were \$896,000 (25% less than Appropriation). The MH Commission indicated if it is retained they are requesting an Appropriation of \$795,000 for each fiscal year. The MH Commission is in Rulemaking to lower fees for homeowners and businesses by more than \$1 million (22%).

Department of Commerce Appropriation—FY 19- \$1,036,673 plus additional appropriation authority as needed.

By contrast, LSC’s Red Book indicates the Department of Commerce (Estate & Industrial Compliance divisions) is asking for an Appropriation of \$1,036,673 for its first fiscal year (2019) to operate the same MH regulatory programs—that’s nearly 25% above the MH Commission’s projected expenses.

Even more concerning, (*in lines 105124-105133*) on page 3447 of HB 49, DOC is requesting additional Appropriation Authority by simply certifying the amount to OBM (with OBM approval). This amounts to a “blank check” for more money while bypassing the General Assembly’s appropriation authority and circumvents the Controlling Board process.

Inspections/Consumer Complaints-Comparisons

The Department of Commerce’s previous legislative testimony (*March 8 and then again on March 22 before the Agriculture, Development & Natural Resources and State Government Agency Review subcommittees*) indicated plans to cut inspections of home installations drastically by only doing “periodic” inspections. Improper home installations account for 60% of home failures.



By contrast, The MH Commission currently conducts 100% inspections of not just new but all used home installations ---some 9,000 inspections annually. Previous to the MH Commission, 500-800 annual installation complaints occurred due to “periodic” home inspections. Under the MH Commission there was only one improper installation complaint in the last three years.

DOC also further indicated during last month’s testimony they would only conduct a “portion” of manufactured home park annual license inspections. State law requires all 1,600 parks to have an annual license inspection.

During our testimony last month (*Agriculture, Development & Natural Resources and State Government and Agency Review subcommittees*) we questioned DOC’s plans to drastically cut home and park inspections while asking for an appropriation of nearly 25% more (*plus unlimited additional appropriation as they see fit after the state budget is enacted*). Subsequently, as a result of DOC’s unfavorable comparison to the small but efficient Manufactured Homes Commission, I understand DOC now claims newly found savings. One has to be skeptical of DOC’s new math.

Statements have been issued regarding fire safety of homes by the Ohio Fire Chiefs Association and the DOC and responsibility for water quality in parks by Ohio EPA. Coincidentally, none of these alleged concerns were ever raised until this past week as it relates to the operation of the Commission. A witness from our National Association will refute fire safety allegations in a few moments.

As for water quality, Ohio EPA indicated the Commission has some responsibility for water quality standards and monitoring in manufactured



home parks. As we all know, Ohio EPA is solely responsible per statute for drinking water quality. The Commission and local health departments merely perform support roles based upon EPA cases.

The vast majority of Manufactured Home Parks are inspected today by 61 local health departments in cooperation with the Commission. MH Parks have been inspected by local health departments for decades. Local health departments and the Commission have forged a strong interagency relationship that has proven quite effective in addressing health and safety issues.

The Association for Manufactured Home Residents of Ohio (AMHRO) submitted written testimony today expressing strong support for maintaining the Manufactured Homes Commission.

For these reasons, I respectfully encourage the Committee to **RETAIN AND REJECT...that is Retain the Manufactured Homes Commission and Reject** the Department of Commerce's costly and ill prepared takeover of MH regulation.

Thank you for the opportunity to testify today.