



**OHIO HOUSE OF REPRESENTATIVES  
FINANCE COMMITTEE**

**TIM WILLIAMS, EXECUTIVE DIRECTOR  
OHIO MANUFACTURED HOMES ASSOCIATION  
MAY 2, 2019**

**HB 166—AMENDMENT TO RESTORE OHIO MANUFACTURED  
HOMES COMMISSION PER PREVIOUS LAW—PROPONENT**

Chairman Oelslager, Vice Chair Scherer, 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 segments of the manufactured homes industry providing affordable homeownership for 750,000 Ohioans.

Today, I am testifying in support of an amendment to restore the regulation of manufactured homes to the Ohio Manufactured Homes Commission (MHC). During the last state budget cycle (FY 2018- 2019) the Kasich Administration abolished the independent stand-alone Manufactured Homes Commission and scattered its program within various functional areas buried deep within the Department of Commerce (DOC) bureaucracy. Unfortunately, the Kasich Administration was ill prepared to take over a program in which its Commerce Department lacked expertise in the unique nature of manufactured homes.

- A bit of history -- The Ohio Manufactured Homes Commission (MHC) was created to implement the federal mandate for a manufactured homes installation and a consumer complaint program under Speaker Householder in 2003-2004.
- The General Assembly moved dealer and salespersons licensing and Manufactured Home Park regulation to the MH Commission in 2010 and 2013 respectively, thus creating a one stop shop for all manufactured homes regulation.



- The former 9-member Commission had a majority of its members appointed by the General Assembly —three appointments by the House Speaker, three by the Senate President and three by the Governor. Commissioners received no compensation. The MHC was 100% self-funded by fees operating 25% below its appropriation.
- A significant function of the Commission was conducting home installations. The Commission conducted 100% inspection of new and used home installations (25,000 homes inspected over its tenure), resulting in less than ten complaints in its last 3 years. Today, per the LSC Redbook, the Department of Commerce only conducts “periodic” inspections resulting in 168 complaints in the last year alone.

Unfortunately, since taking on the program in January 2018, the Department of Commerce has struggled with the regulation of the manufactured homes program:

--Customer service responsiveness has too often resulted in the inability to reach a live person, multiple rerouted calls and delayed follow up. Under the Manufactured Homes Commission same day or 24-hour responsiveness was the standard.

--DOC has no expertise with the specialized nature of manufactured homes. The result has often been inaccurate and conflicting information and policies. The Manufactured Homes Commission’s cross-trained staff had 88 years of combined manufactured homes experience.

--Required installer education is taught via remote video feed by instructors unable to answer basic questions specific to Ohio requirements (*for example, they talk about tsunamis in Hawaii and earthquakes in California, etc.*) By contrast the MH Commission’s classes were taught in person by industry experts with live feedback.



--Commerce periodically struggles in providing timely manufactured home park inspection reports and various plan review changes. The MH Commission typically provided same day inspection reports or within 2-3 days.

--Two Department of Commerce attorneys with no manufactured homes knowledge process consumer complaints while requiring unnecessary paperwork which discourages complaints. The MH commission handled 95% of complaints over the phone and usually within 24 hours.

Having said all of this, I do want to emphasize the new DOC Director Sheryl Maxfield has been genuinely interested in what is best for the manufactured homes program regardless of where it is located. The issues I have mentioned are in no way a reflection of her leadership as she inherited many of these problems from the former Administration.

The resident/tenants' rights group (Association of Manufactured Home Residents of Ohio) supports restoration of the Manufactured Homes Commission. The U.S. Department Housing and Urban Development (*which governs manufactured homes factory construction*) endorsed the Commission during legislative hearings in 2017.

In the essence of time, OMHA requests consideration of a second amendment referenced as written testimony. The proposed amendment permits manufactured homes salespersons to assist purchasers in understanding the home financing process and preparing loan application packages consistent with the new federal law.

Mr. Chairman, members of the Committee, I respectfully ask for your support of these two amendments.



*For reference purposes*

Manufactured Housing Facts:

- Manufactured housing provides quality, affordable housing for more than 22 million low and moderate-income Americans.
- The median annual income of manufactured homeowners is slightly more than \$26,000 per year, nearly 50 percent less than that of all homeowners.
- Manufactured housing represents 7.3 percent of all occupied housing units, and 10.3 percent of all occupied single-family detached housing.
- Based on U.S. Census data, the average price per square foot of a manufactured home is \$44, compared to \$94 for a site-built home.
- Unlike site-built homes, manufactured homes are built almost entirely in a controlled manufacturing environment in accordance with federal building codes administered by the Department of Housing and Urban Development (commonly referred to as the “HUD Code”). Homes are transported to the home-sites where they are installed in compliance with federal and state laws.