

**OHIO SENATE  
FINANCE-GENERAL GOVERNMENT & AGENCY REVIEW SUBCOMMITTEE**

**SUB HB 49--MAINTAIN OHIO MANUFACTURED HOMES  
COMMISSION EXISTING LAW AS RESTORED BY HOUSE**

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VICE CHAIR, OHIO MANUFACTURED HOMES COMMISSION**

**MAY 18, 2017**

**SUB HB 49--MAINTAIN OHIO MANUFACTURED HOMES  
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**Chairman Jordan, Vice Chair O'Brien and members of the Committee**

I am Evan Atkinson, owner of Williamsburg Square Clayton Homes. We are located in Frazeesburg, Ohio. Our third generation family business started in 1947 and has provided manufactured homeownership to over 20,000 Ohioans.

Today, I speak from the perspective of a business owner and as well as Vice Chair of the Manufactured Homes Commission ("Commission").

When the Commission implemented the General Assembly's consolidation of all manufactured homes regulation, our goals were to ensure homeowner safety, reduce regulatory barriers and quickly resolve complaints.

**Fee Reductions and Appropriation**

Last year, revenue and expenses were reviewed. As a result, the Commission is currently in the Rule making process to **reduce homeowner and businesses fees well in excess of \$1 million - a 25% -40% reduction**. Previously, park license fees were cut nearly 10%.

Sub HB 49 passed by the House, sets the Commission's appropriation at \$450,000 annually. This compares to the Department of Commerce's ("DOC") appropriation request in the Executive Budget in excess of \$1 million plus additional unlimited appropriation authority as needed. DOC's newly suggested lower appropriation in their testimony last week in my opinion is just a number designed to take over the Commission at any cost.

### **Customer Service, Inspections, Complaints—MH Commission vs. DOC proposal**

Manufactured homes are 100% inspected in the factory construction phase by the U.S. Department of Housing and Urban Development ("HUD") for compliance with the federally pre-emptive strict fire safety and building code. Additionally, the Ohio Commission ensures 100% inspection of new and used home installations onsite—some 9,000 inspections annually.

The onsite home installation inspections include foundation, installation tie down and strapping, utility connection and final occupancy including testing of smoke alarms and proper grounding of electrical outlets. These complex foundation and anchoring systems are unique to manufactured homes. Commission home installation approvals typically take 1 to 2 days and often less.

In addition to the home installation program, the Commission licenses and regulates all retail establishments and sales people as well, inspects and regulates 1,600 manufactured home parks with 300,000 residents.

The Commission also addresses more than 1,350 park resident health and safety cases annually as well as approximately 5,000 overall regulatory inquiries. The reality is 80% of the Commission's workload is with manufactured home parks.

Previous DOC House testimony indicated their 30 inspectors perform 27,000 commercial inspections and will absorb the inspections for the manufactured homes program. However, the more than 12,000 annual home installation and park inspections performed under the Commission's authority today would increase the DOC workload by nearly 50%.

Consequently, as a business owner I find it a real stretch to believe DOC can run the program as cost effectively as the Commission.

### **Manufactured Homes Commission Staffing**

A comparison of staffing levels among various manufactured housing agencies across the country demonstrates the Commission has the leanest staffing level of any state. Other states average 7 employees to only regulate the home installation program.

Unlike the other states in the comparison survey, the entire scope of manufactured homes regulatory programs is consolidated under the Ohio Commission. All of this is done with a staff of six that will be further reduced to 4 employees if the Commission is retained and funded per the House passed appropriation.

Unfortunately the Administration has exhibited a lack of understanding regarding the comprehensive nature of manufactured homes regulation throughout these legislative deliberations. With that in mind I would encourage a fact check regarding any information provided by DOC.

As a businessman I know only too well that the nature of most government bureaucracies are typically slow to react, lean toward over regulation and ever escalating costs. In my opinion, burying the regulation of the manufactured homes program in a bureaucracy is ill advised.

I respectfully urge the Committee to retain the Manufactured Homes Commission as in existing law and restored in the House passed budget.

Thank you Chairman Jordan. I am happy to answer any questions.