



**Tim Williams, Executive Director
Ohio Manufactured Homes Association
Proponent Testimony – SB 235
Senate Ways and Means Committee
January 25, 2022**

Chairman Blessing, Vice Chair Roegner, and Ranking Member Williams, thank you for the opportunity to testify in support of Senate Bill 235. Since 1947 the Ohio Manufactured Homes Association (OMHA) has represented all segments of the manufactured housing industry including manufactured homes communities (MHC) that provide affordable housing. Over 900,000 Ohioans live in manufactured homes.

Senate Bill 235 proposes to exempt from the sales and use tax documentary service charges on the sale of a motor vehicle by a motor vehicle dealer or a manufactured or mobile home by a manufactured housing dealer. OMHA’s support is specifically related to manufactured and mobile home document service fees. Under current law in Ohio Revised Code § 4781.24 (B) and not in the bill,

“(B) A manufactured housing dealer may contract for and receive a documentary service charge for a retail sale of a manufactured home or mobile home. The documentary service charge shall be specified in writing without itemization of the individual services provided and shall not be more than the lesser of the following:

- (1) The amount allowed in a retail installment contract; (*currently set at \$250, established in a separate code section and also not in the bill*).
- (2) Ten per cent of the amount the buyer is required to pay pursuant to the contract, excluding tax, title, and registration fees, and any negative equity adjustment.”

In the grand scheme of purchasing a home, which for many people is the single largest expenditure they will execute, the savings of sales and use tax on document fees may seem insignificant. However, as Ohioans seek to become homeowners and begin to build personal wealth and credit with home ownership and equity growth, every dollar counts. Manufactured



homes are excellent options for first time home buyers and provide an affordable gateway to owning a home.

Consumers in Ohio have recognized the superior quality and affordability of manufactured homes especially given the ever-escalating costs of site-built homes that have priced many Ohioans out of home ownership. For that reason, when a purchaser today orders a manufactured home it will not be delivered until 2023 due to such tremendous demand and desired affordability. For sake of comparison two years ago a manufactured home would be delivered to the home purchaser in the usual time frame of 4-6 weeks.

The Ohio Manufactured Homes Association appreciates that Senate Bill 235 includes manufactured and mobile home document service fees and we urge your support for the bill.

Thank you, Chairman Blessing and members of the committee for the opportunity to provide comments in support of Senate Bill 235.