

OHIO SENATE FINANCE COMMITTEE

TIM WILLIAMS, EXECUTIVE DIRECTOR OHIO MANUFACTURED HOMES ASSOCIATION JUNE 15, 2017

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

Chairman Oelslager, Vice Chair Manning, Ranking Member Skindell and members of the Committee

The Ohio Manufactured Homes Association's more than 500 business members support the House passed version of the state budget (Sub HB 49) maintaining the Manufactured Homes Commission ("Commission") as in present law.

From the moment the Kasich Administration first proposed to eliminate the Ohio Manufactured Homes Commission, the air has been full of misleading information and derogatory comments directed at almost one million Ohio residents who live in manufactured homes.

The attack on the Commission is rooted in the Administration's false narrative that manufactured homes are less safe than homes built on site. The fire safety and building code that governs construction of today's manufactured homes is regulated by the U.S. Department of Housing and Urban Development ("HUD").

A 2013 study by The National Fire Protection Association (NFPA) indicated the federally pre-emptive fire safety and building code for today's manufactured homes is more stringent than the fire code for other residential homes while experiencing 38% less fires and less civilian injuries.



All homes are inspected both in the factory and on site to ensure fire code and installation safety compliance. Due to this federal pre-emption, local and state fire officials including the Commission and State Fire Marshall have no legal jurisdiction for fire safety within manufactured homes.

The Kasich Administration's often repeated fire death statistics (incomplete and just received three days ago after a two-month delay to our public records request) didn't list any new manufactured homes installed under the Commission that were involved in fire deaths contrary to their public statements.

I hope senators are as outraged as I am by these tactics falsely and needlessly scaring unsuspecting manufactured home residents in our state.

The Administration also doesn't tell you the Executive Budget proposal provides over \$1 million a year plus additional appropriation as needed to operate the program under the Department of Commerce. By contrast the House appropriation for the Commission is only \$450,000.

Manufactured homes are safe. They are well built. They are owned by people who care for their properties. And they are helping people regardless of their income achieve the dream of home ownership.

In place for the last ten years, the Ohio Manufactured Homes Commission is an independent agency free of political influence with an exemplary safety record publicly endorsed by the leading tenants/residents' association (the Association of Manufactured Homes residents of Ohio) and HUD (both have testified and provided letters of strong endorsement to both the House and Senate).

I respectfully urge the Committee to maintain the independent safety oversight provided by the Commission for an important and growing number of homeowners in our state.



FOR REFERENCE PURPOSES:

Kasich Administration fire deaths study shows no new manufactured homes installed under the Commission involved in deadly fires –misleads legislators and the public.

OMHA made a public records request two months ago regarding the backup information for the State Fire Marshall's fire death statistics for manufactured homes. That request was only partially provided Monday, June 12 hours after the Senate Substitute bill was announced.

The statistical background provided to date by the State Fire Marshall **DID NOT LIST ANY NEW MANUFACTURED HOMES INSTALLED UNDER THE COMMISSION IN ANY OF THE DEADLY FIRES**. The Administration failed to distinguish between today's manufactured homes with the most fire restrictive code and the older "mobile homes" and "trailers" built decades ago which then lacked appropriate fire standards.

The Kasich Administration apparently knew their fire statistics did not include ANY manufactured homes installed under the Commission but yet mislead the public in to believing the Commission was somehow responsible for the fire deaths in the State Fire Marshall study. This is nothing short of an abuse of government power designed to shape policy with false statements in order to gain control over an independent home safety agency.

Furthermore, here in Ohio the Commission tests all smoke detectors as well as ensures all electrical outlets are properly grounded, among other similar safety inspections before the Commission issues final occupancy approval.

Fire officials' responsibility within manufactured home parks

Within the manufactured home park living environment (not the home structure itself but the community) per Ohio Administrative Code (OAC: 4781-12-05.1; 4781-12-20) local fire officials have always had jurisdictional authority for regulating fire protection activities, fire protection equipment



(such as the number of fire hydrants) and the park fire codes. Any lapses in fire protection within the parks would be the responsibility of local fire officials and not the Commission.

Fire Marshall Support of the Manufactured Homes Commission

Just retired State Fire Marshall Larry Flowers when he was a state representative co-sponsored legislation (SB 102, 125th GA) creating the Ohio Manufactured Homes Commission. Fire safety standards were not identified as concerns at the time by then Representative Flowers who is also a former firefighter. We applaud his years of service to the citizens of Ohio

<u>Department of Commerce Appropriation is 130% more than Manufactured</u> <u>Homes Commission Appropriation</u>

LSC's Red Book indicates the Department of Commerce (Real Estate & Industrial Compliance divisions) will receive an Appropriation of \$1,036,000 for its first full fiscal year (2019) to operate the various MH regulatory programs. Additionally, in lines 105124-105133 on page 3447 of the Executive Budget (HB 49), The Department of Commerce has authority for additional Appropriation 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.

By contrast, the Manufactured Homes Commission's House passed annual Appropriation is \$450,000.

Local Health Departments and the Manufactured Homes Commission partnership

Beginning in 2007, the General Assembly consolidated all regulation of manufactured homes under the Manufactured Homes Commission culminating in 2013 with the Commission's assumption of manufactured home park regulation.



Since then local health departments and the Commission have forged a strong interagency relationship that has proven quite effective in addressing health and safety issues.

Manufactured Housing Facts:

- In Ohio manufactured home sales have increased 174% in the last 5 years making it more important than ever to keep the Commission as a standalone entity because of its exceptional consumer safety and protection record.
- Manufactured housing provides quality, affordable housing for more than
 900,000 Ohioans and 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 and fire safety 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.