

July 17, 2008

State board approves 133 dealer licenses, while 12 did not renew

CHARLESTON – A total of 133 retail sales licenses were approved Thursday by the state board that oversees the manufactured housing industry in West Virginia. Another 12 license renewals were not sought before the West Virginia Manufactured Housing Construction and Safety Standards Board (State Board). The State Board, in a tense situation, also ordered one company to cease making illegal retail sales.

During a busy meeting, the six-member State Board imposed fines of \$11,975 for a number of violations. The largest combination of fines -- \$1,750 -- was levied against a Lisbon, OH, retailer. Fines of \$1,000 each were imposed on a manufacturing concern and a contractor, too.

The State Board did not take action immediately on a petition by the West Virginia Housing Institute Inc. that it hold informal discussions with the industry about common concerns to reduce potential conflicts. WVHI represents the manufactured housing industry before state regulators.

Mitch Woodrum, director of the manufactured housing section, did not say why the 12 companies did not seek to renew their licenses, but some had gone out of business and others had closed one location or moved to a different location.

The board also renewed the licenses of 48 manufacturers and 149 contractors. Five manufacturers and eight contractors did not renew.

The largest fines, totaling \$9,050 were imposed on 15 companies for various infractions, including the employment of unlicensed contractors, failure to install in accordance with federal and state standards, improper transport of homes, and failure to meet frostline protection standards. One company was cited for submitting false information to the State Board and another for misappropriation of consumer funds.

Another 39 companies were fined \$75 each for failing to properly file quarterly reports with the agency.

The State Board had a brief confrontation when Gary May of Calhoun County said regulators could not sanction him. The State Board ordered his company, Veronica May, to halt selling manufactured homes without a license and imposed a fine of \$250.

May, who once operated under the now-closed Mountaineer Homes, said state regulators had not authority over him, which brought a rebuke from board Chairwoman Fran Cook, who said the State Board could act against his improper sales of homes.

After May left, Steve Brown, owner of The Home Show and co-president of WVHI, said the board should increase fines for selling homes without a license to the maximum \$1,000. On a motion by board member Bob Miller of Charleston, the State Board unanimously increased the fine for May and for future violators to \$1,000.

Cook said the board could take no immediate action on a number of requests made by the WVHI to improve communications with state regulators. The State Board is awaiting a decision from the state Ethics Commission on questions posed by WVHI. She said the ethics panel could rule within 60 days.

WVHI Co-President Kevin Wilfong of Middletown Home Sales in Fairmont told the State Board he had hoped for an earlier decision. But Division of Labor

Commissioner David Mullins said state government often moves slowly and that the State Board would have to await guidance from the ethics panel before it could act.

The board approved changes in its regulations to bring them into line with federal installation changes that are effective in October. The new standards deal with the placement and setting of manufactured homes. The changes, to conform to federal law, were filed with the secretary of state's office Thursday. They go out for a 30-day public comment period and then to the Legislature for action in January.

On other matters:

--Cease and desist orders were issued against 17 companies, mostly contractors, for operating in the state without being licensed.

--At the request of WVHI board member Phil Fogleman, Cook said the State Board would issue a letter to provide additional guidance to retailers concerning new licensing requirement for plumbers.

--At the request of Judy Ritchie of The Home Show, Elkins, Cook said the Division of Labor would identify contractors with a specialty in manufactured housing on the Contractor Licensing Board website.

--WVHI board member Marvin Stanley, who oversees CMH Manufacturing, Inc., outlets in West Virginia, praised the state inspectors who work under the State Board. CMH is the largest manufacturer in the nation.

--Cook said staff intended to meet with Frank Fato concerning his application to obtain a license as a retailer in the state and that no further action has been taken since the State Board recently refused Fato's request for a license.