

West Virginia Manufactured Housing Construction and Safety Standards Board
June 21, 2007

Woodrum to review dual licensing with federal counterparts

CHARLESTON – West Virginia officials said Thursday they would seek a determination from federal oversight authorities about whether regulations on contractor licensing in factory-built housing could be modified. The regulations have caused widespread dissatisfaction within the manufactured housing community

Mitch Woodrum, director of the manufactured housing section of the state Division of Labor, said he would seek clarification from the U.S. Department of Housing and Urban Development's Office of Regulatory Affairs and Manufactured Housing.

Under a change in state law that was effective in June, contractors in the manufactured housing industry must be licensed both by the DOL's Contractor Licensing Board, to which all contractors are subject, and the West Virginia Manufactured Housing Construction and Safety Standards Board, which oversees only manufactured housing.

The West Virginia Housing Institute Inc. and retailers have complained to Woodrum that the dual licensing requirement will cause contractors to withdraw from the manufactured housing field in favor of a single overall license that will preclude them from factory-built housing.

They argue the change will shrink the available pool of contractors for manufactured housing work and will cost consumers more.

George Gunnell, with the headquarters staff of the 11-location The Home Show, based on Hurricane, Putnam County, and Judy Ritchie, regulatory director for The Home Show and a retailer in Elkins, both pleaded with the Manufactured Housing Construction and Safety Standards Board to eliminate dual licensing when contractors are dealing with such cosmetic issues as drywalls, skirting and carpeting.

Instead, Ritchie said, the practice allowed before June should be reinstated that permitted certain contractors to enter into an agreement with a retailer to work under the retailers' contracting license. The retailer that contracted for the work ultimately would be help responsible for the quality of work. If a problem in the work developed, then the regulatory board would hold the retailer accountable under the procedure that the industry seeks to reinstate.

Gunnell agreed, saying he foresees a problem finding qualified contractors at an affordable rate to do work in the manufactured housing industry in a timely manner. Without a change, he argued, "We're going to have a very difficult time to keep cost controls and to keep our pool of contractors."

Gunnell and Ritchie both said consumers would be hurt unless the change in reversed.

Board member Bob Miller of Charleston said he favors eliminating the manufactured housing board license in what he termed "specialty fields" in favor of the general contractors license.

Woodrum said federal requirements caused the change in state law this year. He said the federal government is requiring continuous education classes for manufactured housing contractors. He said he would consult with his federal counterparts and determine whether the state board could eliminate the dual licensing in certain instances.

After that, he said he would bring his findings back for the board to review.

In other action, the state board:

--Issued licenses to the following contractors: Richards Heating & Air Conditioning of Lost Creek; W&S Construction of Grafton; Kimberly E. Davis of Rowlesburg; Jeffrey L. Davis of Rowlesburg; May Transporting of Spencer; Brothers Builders, LLC, of Huntington; and Dennison Plumbing Heating & Cooling of Wallace.

--Imposed \$9,750 in fines against 12 retailers. But \$6,000 of the fines were levied against retailers J&J Homes Inc. of Morgantown, JEB Quality Homes and American Homes, Inc., which went out of business owing money to consumers. Of the \$6,000, \$4,000 was imposed on J&J, which closed its doors earlier this year.

--Issued reprimands and cease and desist orders against nine companies for operating in the state without a proper license. On one, Elsea Home Center, an Ohio-based firm, it also imposed a \$250 fine .

--Levied fines of \$75 against 15 firms for failing to file quarterly reports.

--Determined the state recovery fund, which has money set aside to help consumers hurt in transactions with members of the industry, totals \$1.44 million.

--Set its next meeting for July 18, which will be a teleconference meeting; and its next physical meeting in Charleston for Sept. 13.

--Delayed action on an retailer application by Frank Fato of Buckhannon and a cease and desist order issued against him for allegedly offering for sale without a license a manufactured home. His attorney, Ed Rebrook of Charleston, said the home was privately owned by Fato and he had the right to sell it without first obtaining a state license.