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Smith settlement proposal rejected; four licensed

CHARLESTON -- The state manufactured housing board refused to approve a fine and recovery fund reimbursement settlement proposal against an unlicensed business at Thursday's meeting. This proposal was an attempt to start the process of obtaining the two licenses needed to operate as an installer of HUD code homes.

The proposal was offered on behalf of Gary Smith of Belle, owner of Smith and Jones Mobile Homes Inc. S&J has never been licensed by the state, but for years has been illegally hauling and setting up manufactured homes. Smith recently paid the Manufactured Housing Board \$8,000 as a result of his relationship with S&J and fines it had incurred.

The West Virginia Manufactured Housing Construction and Safety Standards Board contends Smith owes the state \$20,526.47 in fines and recovery fund reimbursements as a result of his involvement in another company, Allstate Mobile Home Sales & Service Inc., which was the predecessor to S&J. Originally, the board believed Smith owed \$35,000, but has since revised the figure to \$20,526.

Smith maintains he was only an employee of Allstate and should not be responsible for its financial difficulties, a position opposite that of the State Board.

The dispute has gone to an independent hearing examiner. Before the hearing, however, Smith offered board attorney Liz Farber to pay half of the amount the State Board contends he owes in exchange for clearing the way for S&J to become licensed. She brought the proposal to the six-member board, which unanimously rejected it on a motion by member Gary Shaw of Fairmont.

"His history bothers me greatly," board member Johnnie Brown of Charleston said, summing up the position of the board. Smith has flouted state authority and licensing requirements and he "has ignored his obligation to consumers" for years, Brown said.

Member Jack Albert of Charleston disliked the original proposal. "Frankly, I feel very uncomfortable approving this," he noted.

On a separate matter, the State Board approved a retailer license for Clayton Homes Inc. of Johnson City, Tenn.; and contactor licenses for: Flanigan Field Services LLC of Philippi; Robert Carl Shelton LLC of Greeneville, Tenn.; and Leonard Trivitt of Saltville, Va.

In other actions, the State Board:

- Levied \$1,800 in fines against a manufacturer for failing to fulfill warranty obligations and a retail dealer for hiring unlicensed contractors.

- Fined 30 companies for failing to provide quarterly reports on their manufactured housing business activities.

- Approved repairing of homes from the state recovery fund for Douglas and Brenda Hess of Sandyville, Shirley Hill of Chapmanville, and Rick Anglin of Philippi. In each case, the manufacturer or contactor had gone out of business before completing work on the homes. The recovery fund was voluntarily established by the industry to help consumers left in distress when their contracting company went out of business. The fund has \$1.5 million.

