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Gunnell offers industry assistance to protect the recovery fund

CHARLESTON -- A manufactured housing spokesman offered industry expertise to state regulators Thursday to assure the financial integrity of a fund created to help consumers.

George Gunnell, vice president of The Home Show of Hurricane, told the West Virginia Manufactured Construction and Safety Standards Board that industry would volunteer to review and evaluate work being paid for by the board's recovery fund.

The fund, which has \$1.5 million, pays for work not completed or done inadequately when a company goes out of business. It is funded by the industry, but administered by the State Board under the guidance of the state Division of Labor.

Gunnell is also treasurer of the West Virginia Housing Institute Inc., the industry trade association.

Gunnell said industry could offer support to provide "checks and balances" by examining the quality of work the DOL contracts for and pays through the fund. He offered "to look at the bids to be sure we are protecting the fund" and not overpaying for work or contracting for work for which the fund might not have to assume liability.

Labor Commissioner David Mullins said the State Board "jealously protects the fund" and told Gunnell "experts in business" have told the agency "we are getting our money's worth."

Mitch Woodrum, director of manufactured housing for the DOL, said he would remind contractors licensed with the board they can bid on repair work. He said competitive bids are sought on all repairs.

Gunnell's comments were sparked when the State Board approved the payment of \$10,500 from the recovery fund for problems associated with one of the Four Seasons' sale.

In other business, regulators imposed \$4,675 in penalties and ordered three unlicensed businesses to stop selling homes in West Virginia. The board also issued three licenses.

The bulk of the fines were levied against two companies that have gone out of business. They are contractor Adkins General Repair Service and manufacturer Four Seasons Housing, Inc.

Ordered to cease selling were: Freedom Homes of Roanoke, VA; Home Sweet Homes, a company that went out of business a year ago in Charleston; and M&K Group, LLC, of Virginia.

The State Board issued licenses to Country Side Homes of WV, LLC, of 1000 Eclipse Court, Martinsburg, a dealer; and contractors A&B Contracting of Clendenin and Champ enterprise of Princeton.

Andy Gallagher, executive director of WVHI, told the State Board of the serious financial problems faced by the industry because of declining sales. He said shipments of manufactured homes in the state have been on a steep slide since last September.

Staff attorney Elizabeth Farber warned the board it and all of state government soon must comport to new confidentiality standards that are being imposed by the federal government and through the governor's office. The rules are aimed at protecting financial and other material gathered by state regulators.

The board voted to hold its next meeting at 10 a.m. Sept. 24 in Charleston.