

Re: 4 CSR 240-120.011

My new description of our Manufactured Housing program "Give an inch, take a mile".

Just a short 5 years ago, I personally sat with other MMHA associates and worked on new rules regarding our industry. We were asking for our housing to be treated like traditional "stick framed" housing and take us from a 5 year warranty period to a 1 year warranty. Ron Pleus, the director at the time, Tim Hayden an inspector and PSC counsel attended these meetings. Our association was presented with a proposal that would drop our warranty to a 1 / 2 year warranty program providing that we would submit property locators within 48 hours of the delivery of a home. We would have a 1 year warranty if the PSC had performed a random inspection at time of delivery and if not then the warranty period would be pushed out to 2 years if a consumer complaint was filed. A major topic of discussion was the words "shall/may", when it came to disciplinary measures. Both parties agreed the wording would be "shall" and leave it to the discretion of the director when it came to the so called "Fees" for non-compliance. Our association believed then and still today that the PSC created this in an effort to protect their jobs, due to an overwhelming drop in home sales and consumer complaints. Why else would there be a move from consumer complaint only inspections to then doing random inspections, even though the consumer complaints were dropping and our industry was providing better homes!

Now here we are and the program needs more from us. We found that our rules were not written as we thought and we are still held to a 2 year warranty even though majority of Missouri "stick" builders do not have to provide a warranty and do not have an inspection process at all. The "shall/may" needs to be changed to shall in an effort to raise some funds for this program in the form of fines/fees. The decals we are required to put in our homes as part of the rule changes 5 years ago will now also be raised to provide more funds for the PSC.

MMHA has had several meetings in regards to these changes and have strongly objected them, BUT somehow it has been stated that we are in agreement on this. I want to make sure everyone knows that the state of Missouri does not, nor will they find a manufacturer, installer or retailer that agrees with any of the proposed changes, except for the change in the director's name being changed to manager.

MMHA has asked once again asked that our warranty period be limited to 1 year, which is still more than "stick" builders give. We have yet to get a good reason why we can't do this. Many of Missouri residents live in traditional homes that can see costs of \$200,000-\$400,000 or even more, but have no idea how they are built, nor the materials that go in it. They have no warranty, no inspections but for some reason our homes must be held to higher standards even though they are built to HUD codes by our manufacturers and installed using state licensed installers that are required to go through a continuing education course with the PSC.

MMHA has asked for the fines/fees stay as "shall" and leave it to the manager's discretion as to disciplinary measures. We have worked hard to get our association to work with the PSC and if fines start getting handed out, we will just see more dislike between our entities.

MMHA has asked that the property locators be sent on a monthly basis, rather than within a few days of delivery. We have always supplied a monthly dealer report and these reports can accompany them. Even better would be eliminating the current monthly reports and just supply the property locators, so we are not duplicating this work for the PSC benefit. This costs us time and money to comply. The program manager has estimated the cost of compliance of property locators alone is estimated at \$23,400.

The proposed decal costs being raised from the current \$25 per decal to \$35 each, would alone cost our industry an estimated \$12,000 more next year with an estimated shipment of over 1200 homes.

With consumer complaints in our state at almost 0, why are we changing things? We are trying to grow our industry and more regulations and costs only hold us back from this growth.

Every retailer in the state of Missouri is considered a small business under 1.310, RSMo, with most retailers having less than 10 employees. \$23,400 for compliance, \$12,000 for decals and the increase in paperwork alone that the PSC requires from our industry will have a negative financial impact. How is it being said that there will be minimal monetary costs involved?

Thank you,

Bryan Crump

Cedar Creek Homes

Columbia, Mo.