

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service  
Commission held at its office in  
Jefferson City on the 5<sup>th</sup> day of  
December, 2018.

The Manufactured Housing Consumer       )  
Recovery Fund Advisory Committee        )

**File No. MO-2019-0155**

**ORDER APPROVING ADVISORY COMMITTEE RECOMMENDATION  
FOR DISBURSEMENT FROM THE RECOVERY FUND**

Issue Date: December 5, 2018

Effective Date: December 15, 2018

**Procedural History**

On November 21, 2018, the Director of the Manufactured Housing and Modular Units Program (“Manager”), on behalf of the Manufactured Housing Consumer Recovery Advisory Committee (“Committee”), filed its Recommendation (“Recommendation”) for Disbursement from the Missouri Housing Consumer Recovery Fund (“Recovery Fund”).

In the Recommendation, the Manager states that the Recovery Fund was established in 2008 for the purpose of paying consumer claims. The Committee investigates claims and decides whether a claimant has met the requirements for recovery from the Recovery Fund.

The Committee recommends the disbursement of \$1,475 to Russell and Ruth Stuedle (“the Stuedles”) from the Recovery Fund. The Committee voted 3-0 in favor of the disbursement.

## **Discussion**

The State of Missouri established the Recovery Fund for the purpose of paying consumer claims according to Commission procedure.<sup>1</sup> The Commission promulgated a Consumer Recovery Fund rule (“Rule”) to administer the Recovery Fund.<sup>2</sup> The Rule provides for the Committee to assist the Commission in administering the fund.<sup>3</sup>

To recover from the fund, the following criteria must be met:

- A consumer must have purchased a new manufactured home or residential modular unit;
- The home or unit must have been purchased from a manufacturer or dealer;
- At the time of the purchase, the manufacturer or dealer must have been registered with the Commission;
- A consumer must have an unsatisfied claim resulting from a violation;
- A consumer must have exhausted all remedies prior to submitting a claim form;
- A consumer must file a claim form within one (1) year from the exhaustion of legal remedies;
- The amount requested by the consumer from the Recovery Fund must reflect the actual cost of repairs and, for a single section home, shall not exceed \$5,000.<sup>4</sup>

In particular, the Committee found the Stuedles bought a manufactured home from Your Home Center, LLC in Lincoln, Missouri (“Dealer”). According to the Recovery Fund Application the Stuedles filed, the Dealer failed to properly set up the home. The Manager attempted to contact the Dealer several times regarding the Stuedles’ claim, but received no response.

The Advisory Committee requested and obtained estimates from approved or registered industry representatives to determine the actual repair costs related to the installation deficiencies. After obtaining and reviewing no fewer than seven (7) estimates,

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<sup>1</sup> Section 700.041.1 RSMo (2008).

<sup>2</sup> Commission Rule 4 CSR 240-126.020.

<sup>3</sup> Commission Rule 4 CSR 240-126.020(2).

<sup>4</sup> Commission Rule 4 CSR 240-126.020(3).

the Committee agreed the Stuedles should receive One Thousand Four Hundred Seventy-Five dollars (\$1,475.00) from the Recovery Fund.

The Committee may consider “[i]nformation indicating that a manufacturer, dealer, or installer, against whom action may be taken, is out-of-business, bankrupt, closed, dissolved, or no longer subject to the jurisdiction of the commission.”<sup>5</sup> The Committee may also consider “[i]nformation indicating that legal action against a manufacturer, dealer, or installer is futile or is barred by statute or equitable principle, or any other relevant factor.”<sup>6</sup>

Commission records indicate that the Dealer was closed on July 12, 2018 because it did not renew its registration. Therefore, the Dealer was no longer engaged in commercial activity, and it would have been futile for the consumer to commence legal action against the dealer. Thus, the Committee found that the consumer has properly exhausted all legal remedies prior to submitting a claim form.

The Commission agrees with the Committee. The Commission’s rules explicitly state that the Committee may consider the futility of legal action against a dealer as grounds to find the consumer has properly exhausted all legal remedies. In addition to being futile, such legal action would be unnecessarily expensive and time consuming.

Commission Rule 4 CSR 240-2.080(13) allows parties ten days from the date of a pleading’s filing to respond, unless otherwise ordered by the Commission. The Commission issued no order to the contrary, more than ten days have elapsed since the Committee filed its Recommendation, and no party has responded.

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<sup>5</sup> Commission Rule 4 CSR 240-126.020(6)(B).


<sup>6</sup> Commission Rule 4 CSR 240-126.020(6)(C).

All recommendations of the Committee and all disbursements from the Recovery Fund are subject to Commission approval.<sup>7</sup> Upon review of the Recommendation, the Commission finds that the Stuedles' claim meets the criteria listed in Commission Rule 4 CSR 240-126.020(3) to qualify for disbursement from the Recovery Fund. Thus, the Commission will approve the Recommendation and the Committee's request for disbursement from the Recovery Fund.

**THE COMMISSION ORDERS THAT:**

1. The Manufactured Housing Consumer Recovery Advisory Committee's Recommendation for Disbursement from the Missouri Housing Consumer Recovery Fund filed on November 21, 2018, is approved.
2. This order shall become effective on December 15, 2018.
3. This file shall be closed on December 16, 2018.

**BY THE COMMISSION**



Morris L. Woodruff  
Secretary



Silvey, Chm., Kenney, Hall,  
Rupp, and Coleman, CC., concur.

Pridgin, Deputy Chief Regulatory Law Judge

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<sup>7</sup> Commission Rule 4 CSR 240-126.020(5).

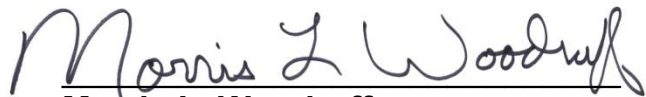
**STATE OF MISSOURI**

**OFFICE OF THE PUBLIC SERVICE COMMISSION**

**I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.**

**WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 5<sup>th</sup> day of December 2018.**



  
**Morris L. Woodruff**  
**Secretary**

**MISSOURI PUBLIC SERVICE COMMISSION**

***December 5, 2018***

**File/Case No. MO-2019-0155**

**Missouri Public Service  
Commission**

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***Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).***

***Sincerely,***

A handwritten signature in dark ink, reading "Morris L. Woodruff". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

**Morris L. Woodruff  
Secretary**

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Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.