

Tuesday, June 8, 2004 - 10:00 AM  
110 Centerview Drive  
Kingstree Building Suite 108  
Columbia, South Carolina

**MEMBERS PRESENT**

Ralph Camp (Chairman)  
Wayne Iseman(Vice Chairman)  
Randall Altman  
Sharon Johnson  
Paul Laurent  
Clarence Strickland  
Gillard Dotterer  
Michael Levy  
Thomas Gamble

**STAFF**

David Bennett  
Angela Scott  
Rick Wilson  
Tarita Dunbar  
Kent Lesesne  
Michael Anderson

**OTHERS PRESENT**

Eric Gore      David Spearman  
Con Eargle     Carl Wearing  
Mark Dillard   Bruce Kelly  
Joseph Ham

**NOTE: Public Notice of this meeting was properly posted at the Board office and provided to any requesting persons, organizations, or news media in compliance with Section 30-4-80 of the 1976 South Carolina Code, as amended, relating to the Freedom of Information Act.**

**Call to Order**

The June 8, 2004, Manufactured Housing Board meeting was called to order by Chairman Ralph Camp at approximately 10:00 a.m.

**Approval of Agenda**

Chairman Camp called for the approval of the agenda, as previously noticed. After review, Mr. Laurent made a motion, seconded by Mr. Dotterer, to approve the agenda. The motion was unanimously carried.

**Approval of Minutes**

Chairman Camp called for the review and approval of the March 9, 2004, minutes. After review, Mr. Strickland made a motion, seconded by Mr. Altman, to approve the minutes. The motion was unanimously carried.

**Progress Reports**

**Status Report-Manufactured Housing**

The Status Reports for March, April and May 2004 were reviewed. Copies of the status reports are attached and hereby become part of the record.

**New Licenses**

Reports listing the licenses issued for March, April and May 2004 for Dealers, Manufacturers, Multi-Lot Salespersons, Contractors, Installers and Repairers were reviewed. Copies of the new reports are attached and hereby become part of the record.

#### Administrative Hearings

Reports of Administrative Hearings for March, April and May 2004 were reviewed. Copies of the administrative hearing reports are attached and hereby become part of the record.

#### New Business

##### Bond Claims

Mr. Levy asked whether KO Housing is being investigated. Mr. Bennett informed the Board that staff felt certain that all the claims have been submitted. There is not enough money to pay the claims and they would have to be prorated. He stated that Mr. Oliver Ferguson, d.b.a. KO Housing, is being criminally prosecuted. After review and discussion of the bond claims presented, Mr. Iseman made a motion, seconded by Mr. Levy, to approve the bond claims submitted. The motion was unanimously carried.

##### Emergency Regulations

Mr. Bennett informed the Board that the emergency regulation regarding criminal background checks passed the Senate but was stalled in the House. He stated that if the regulation were not passed staff would not be able to do criminal background checks for another two years.

Mr. Rick Wilson advised the Board that the APA allows the boards to submit emergency regulations. The regulations are only good for 120 days if renewed. The Board would have to make a decision whether to file the emergency regulation for §19-425.6. After review and discussion, Mr. Strickland made a motion, seconded by Ms. Johnson to submit the emergency regulation. The motion unanimously carried.

##### Application Review

###### Mr. Thomas Spearman

The Board reviewed the retail dealer application of Mr. Thomas Spearman. Mr. Spearman was sworn in by Mr. Iseman. Mr. Spearman waived his right to counsel.

Mr. Bennett informed the Board that Mr. Spearman applied for a retail dealer license and upon staff review of the application, questions arose regarding the sufficiency of Mr. Spearman's financial responsibility.

Mr. Spearman informed the board that he wishes to engage in sales of repossessed and other used homes as an Internet dealership, which in theory may substantially reduce the financial requirements of the proposed dealership. Mr. Spearman also expressed his willingness to submit to any conditional license the Board may desire.

After review and discussion, Mr. Iseman made a motion, seconded by Mr. Levy, to grant Mr. Spearman's retail dealer license upon satisfaction of all other requirements for licensure. Mr. Spearman shall maintain a surety bond in the amount of Thirty-five Thousand (\$35,000) dollars. At such time, if ever, as Mr. Spearman's net worth reaches One Hundred Fifty Thousand (\$150,000) dollars, he may petition the Board to reduce the amount of the surety bond. Mr. Spearman shall limit business to the sale of repossessed and other used manufactured homes as an Internet dealership, as represented to the Board. Applicant may not employ retail salespersons in this business and shall not open a retail lot or other dealership operation without prior written approval of the Board. The motion was carried with two nay votes.

**(Official transcripts of the aforementioned person's appearance before the Board are available upon request for a thirty-day time period.)**

### **Administrative Hearing**

#### **Wearing Manufactured Homes**

The Board reviewed the complaint against Carl Wearing, d.b.a. Wearing Manufactured Homes. Mr. Iseman swore in Mr. Carl Wearing, Mr. Joseph Ham and Mr. David Bennett. Mr. Byron Gipson, Esquire, represented Mr. Wearing, through a conference call.

Mr. Kent Lesesne advised the Board that this matter was scheduled several times to appear before the Board. Mr. Wearing was served with the Complaint and Notice to Appear on May 4, 2004, by regular and certified mail.

Mr. Lesene advised the Board that Mr. Wearing was not disputing any of the charges that were being brought against him. Mr. Wearing admitted that he made material misrepresentations in the purchase contract in that the name of the actual purchaser of the home was not reflected in the sales contract. At the time of the purchase, the individual purchasing the home did not qualify

for financing, and he submitted a fraudulent name and social security number and false information regarding the buyer's income to a lending institution in order to obtain financing.

Mr. Byron Gibson advised the Board that Mr. Wearing has explored several options to justify the problems and is currently trying to seek other avenues and banking to build the complainant credit to obtain financing.

Mr. Wearing testified that he has attempted to rectify the problems that have resulted from the transaction. However, he has not contacted the lending institution concerning the submittal of fraudulent information, nor is the financing in the name of the actual buyer. Mr. Wearing testified that selling manufactured homes is his livelihood and he has been in the business for approximately six years and one year as the owner. He testified that he made some mistakes and asked the Board to allow him to continue to do business in this state.

Mr. Bennett informed the Board that staff received a letter of recommendation on behalf of Mr. Wearing from Representative Glenda Cobb.

After hearing testimony, Mr. Dotterer made a motion, seconded by Mr. Iseman for the Board to go into executive session for legal advice. The motion was unanimously carried.

The Board returned to public session. The Chairman stated for the record that no action had been taken in executive session. Mr. Levy made a motion, seconded by Mr. Iseman, to revoke Mr. Wearing's retail dealer license and asked staff to inform the lending institution of the Board decision. The motion was unanimously carried.

**(Official transcripts of the aforementioned person's appearance before the Board are available upon request for a thirty-day time period.)**

### **Public Comments**

#### **Mark Dillard**

Mr. Mark Dillard from the Manufactured Housing Institute of South Carolina stated that he appreciated the good working relationship this year. He advises that the modular legislation has passed. Mr. Dillard invited the Board to attend the State Convention on July 9<sup>th</sup>.

### **Date of Next Meeting**

Tuesday, August 10, 2004

### **Adjournment:**

There being no further business, Mr. Iseman made a motion, seconded by Mr. Strickland, to adjourn. The motion was unanimously carried. The meeting was adjourned at 11:45 a.m.