

MINUTES
South Carolina Manufactured Housing Board
Board Meeting
March 2, 2021 at 10:00 a.m.
VIA TELECONFERENCE
Synergy Business Park, Kingstree Building
110 Centerview Drive, Columbia, South Carolina

Meeting Called to Order

In the absence of Chairman Randall Altman at the beginning of the meeting, Richard L. Bagwell, Board Member, called the meeting to order at 10:13 a.m. Other members attending the meeting included: Dorothy W. Edwards, Steve Graham, Jefferson T. Howell, III, W. Marion Moore, Arthur M. Newton, Adam Reese and Shannon Turner.

Staff members present included: Molly Price, Board Administrator; Zahid Chinwalla, Program Assistant; Crystal Varn, Program Assistant; Hardwick Stuart, Office of Advice Counsel; Todd Bond, Chief Investigator; Gwyn Morris, Investigator; Erin Baldwin and Robert Elam, Office of Disciplinary Counsel.

Members of the public attending the meeting included: Mark Dillard, Clayton Evans and Shell Suber, Manufactured Housing Institute of South Carolina and Creel Court Reporter, Travis McCloud.

Statement of Public Notice

Mr. Bagwell announced that public notice of this meeting was properly posted at the Synergy Business Park, Kingstree Building and on the Agency's website, and provided to all requesting persons, organizations and news media in accordance with Section 30-4-80 of the South Carolina Freedom of Information Act. As a result of the COVID-19 public health emergency, this meeting is being conducted via teleconferencing with notice given to all parties of this teleconferencing platform.

Approval of Agenda

MOTION

A motion was made and seconded to approve the March 2, 2021 Agenda.
Moore/Newton/approved.

Approval of Excused Absence

MOTION

A motion was made and seconded to excuse the absence of Randall Altman, David A. Randall, and Shannon Tanner.
Newton/Graham/approved.

Approval of Meeting Minutes

December 1, 2020 – Board Meeting

MOTION

A motion was made and seconded to approve the December 1, 2020, minutes as published.
Edwards/Moore/approved.

February 19, 2021 – Committee Meeting

MOTION

A motion was made and seconded to approve the December 1, 2020, minutes as published. Moore/Newton/approved.

Board Chairman's Remarks – Board Member Richard Bagwell

Richard Bagwell informed everyone that the Chairman, Randall A. Altman was not present. Informed members that later during the meeting they will discuss the Committee Meeting held on February 19, 2021.

Staff Reports

Administrator's Report – Molly Price

Ms. Price presented the Board with the following reports: Cash Balance (November and December 2020), Number of New Applicants per year, and number of active licenses. Ms. Price also informed the Board that due to the extension of renewals for the public health emergency, renewals are still running until March 31, 2021. She reminded members about the March 30, 2021, deadline to complete the Statement of Economic Interest Report. Ms. Price asked the Board if there are any additional statistics that they would like to see at the meetings. The next Board meeting is scheduled for June 8, 2021.

Office of Investigations and Enforcement – Todd Bond

OIE Report: As of March 2, 2021, the Board has received 32 complaints this year, has 35 active investigations, and 16 cases have been closed.

Investigative Review Committee (IRC) Report: The IRC met on February 11, 2021, and recommends 13 cases for dismissal and 1 for a letter of caution.

MOTION

A motion was made and seconded to accept the IRC reports as presented. Newton/Edwards/approved.

Office of Disciplinary Counsel Report – Robert Elam

Mr. Elam introduced himself as the new Office of Disciplinary Counsel (ODC) attorney assigned to Board. He reported that in ODC there are currently 11 open cases, 6 pending attorney review, and 1 pending rescheduling, 3 pending voluntary surrender of license, and 1 case pending board action.

It was noted for the record that Board Chairman Randall Altman joined meeting.

OLD BUSINESS

Regulation 79-6(D) - Continuing Education – Molly Price

Some language in this Regulation is being updated to make the requirements clearer for licensees. The Regulation is very specific in that there are three hours of Continuing Education required per year. This is confusing to licensees because the licensure cycle is 2 years. Ms. Price stated that it makes more sense to reflect that we are looking at the 6 hours as a whole for the entire licensure cycle.

CE Carryover – Ms. Price stated that she has been discussing CE carryover with MHISC and possibly granting licensees the ability to carryover CE credit. Board members Richard Bagwell and Marion Moore supported this change and felt it would be good for licensees.

Apprentices – The licensee is not required to obtain CE hours during the 120 day license period. The Board discussed allowing apprentices to start taking CE hours before their regular sales license is received. This would allow the licensee to obtain the credit before they become an actual salesperson. Apprentices applying for a new salesperson’s license may have reduced hours depending on when the license is granted.

MOTION

A motion was made and seconded to approve the six hours per cycle with the opportunity to carry two hours over. Apprentices may be able to accumulate CE credit before the actual license begins. Moore/Graham/approved.

Old Business

Committee Report – Retail Dealer Purchase Agreement

Richard Bagwell, Committee Chair, gave an overview of the Retail Purchase Agreement/Form 500 which is the referenced sales agreement for the Board. The current form was approved by the Board in 2001, and needs to be updated. The Committee will make recommendations to the Board to revise the form as prescribed by the Board in Statute 40-29-320. Ms. Price read the Statute and advised that the Jenkins form may have been approved by the Board for use, but it was not prescribed by the Board. The goal is to come into compliance with the Statute by creating a Purchase Agreement form that is prescribed by the Board, is user friendly for licensees, and available on the Board website for no additional cost. Ms. Price suggested that the board pull away from the name ‘Form 500’ and rename the purchase agreement form.

Chairman Randall Altman chairs the meeting from this point on and board member Dorothy Edwards left the meeting.

New Business

Regulation 79-15(B) – Itemized List of Options in Sales Agreement

Molly Price read the Regulation. The language in this regulation came up in the committee meeting as it pertains to being a common practice for dealers to itemize the list and include cost. Richard Bagwell stated that everything is itemized, but itemization cost is not always correct. Mr. Bagwell also stated that there should not be a regulation for itemization with prices.

MOTION

A motion was made and seconded to remove the cost totaling from the itemized list, but leave the itemized list itself in place. Bagwell/Reese/approved.

Certificate of Completion – Regulations 79-21(B), 79-22(B), 79-23(B)

Ms. Price stated that according to the regulations, the Certificate of Completion is to be completed by the installers (79-21(B)), repairers (79-22(B)), and contractors (79-21(B)). According to feedback from MHISC, this was not a common practice and may be something that is no longer utilized by the industry. It was discussed that the Certificate of Completion referenced in the Regulations should not be confused with the Certificate of Completion used by dealers or mortgage lenders, as these are separate documents. The Board would like for the Sales Agreement Committee to see if the Installation

Certification form, which was prescribed by the Board and available on the website, meets the intent of the regulations. This item was tabled.

MOTION

A motion was made and seconded to let the committee address the topic at their next meeting and then bring it before the Board at the June 2021 meeting.

Moore/Bagwell/approved.

2021 HUD SAA Audit and Update on HUD's Proposed Regulation Changes

Ms. Price stated that the annual SAA audit took place in January 2021 and went very well. The feedback from HUD was positive and she did not anticipate any issues with the Board being renewed as the State Administrative Agency (SAA).

She also informed the Board that she has been working with Mr. Stuart to formally address HUD'S proposed regulation changes that would potentially impact the way funding is distributed to SAA programs around the country. If approved, the proposed regulation changes would cut about 80% of the Board's operating budget, due to the fact that we do not currently have a licensed manufacturer in this state. Other states share the same concern with the regulation changes, and letters have been filed with HUD opposing the changes. She stated that she has not received feedback from HUD yet; however, if approved, the changes would take place over a 5 or 10-year period.

Election of Officers

Nominations for Board Chairman: Randall A. Altman

MOTION

A motion was made and seconded to nominate Randall A. Altman for chair.

Newton/Bagwell/approved.

Nominations for Vice-chairman: David A. Randall

MOTION

A motion was made and seconded to nominate David A. Randall for vice-chair.

Bagwell/Graham/approved.

Public Comments

Mark Dillard, MHISC, stated that the funding issue with HUD is very important because if we do not have the South Carolina Manufactured Housing Board, the administration of this program would fall back to HUD.

Executive Session (if needed)

Adjournment

MOTION

A motion was made and seconded to adjourn the meeting at 11:25am.

Bagwell/Reese/approved.

Next meeting is June 8, 2021.