Tuesday, December 14, 2021

10:00 a.m.

Call to Order

Chairman Randall A. Altman called the meeting to order at 9:58 a.m.

Other board members in attendance were: Richard Bagwell; Dorothy Edwards; Steven Graham; Jefferson T. Howell, III; W. Marion Moore; Arthur Newton, Sr.; David Randall; and Shannon Tanner.

Staff members in attendance were: Molly Price, Board Administrator; Maggie Smith, Program Coordinator II; Crystal Varn, Program Assistant; Hardwick Stuart, Office of Advice Counsel; Todd Bond, Office of Investigations and Enforcement; Robert Elam, Office of Disciplinary Counsel.

Members of the public in attendance were: Shell Suber, Manufactured Housing Institute of South Carolina (MHISC).

The court reporter was Kathy Boone with Creel Court Reporting, Inc.

Statement of Public Notice

Mr. Altman 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.

Approval of Agenda

MOTION:

Motion to approve the December 14, 2021 agenda with modifications with regard to hearing. Edwards/Newton/approved

Approval of Excused Absences

MOTION:

Motion to approve the absence of the board member Adam Reese. Moore/Graham/approved

Approval of Minutes

MOTION:

Motion to approve the minutes from the September 14, 2021, Board Meeting. Moore/Randall/approved

MOTION:

Motion to approve the minutes from the October 26, 2021, Committee Meeting. Moore/Randall/approved

Board Chair's Remarks - Randall Altman

Mr. Altman was glad to see everyone back together again in person.

Tuesday, December 14, 2021

10:00 a.m.

Staff Reports

Administrator's Report - Molly Price

Ms. Price reminded the members that it is time to order license plates for 2022. Ms. Price gave an update on the licensure statistics for the Board and reported that there are currently 788 licensees. Board members also received information of the number of new applicants for 2021 and a breakdown for previous years. She reported that there were 4 facilities inspections for the year, which is slightly lower than usual because of changes in the Office of Investigations and Enforcement. Ms. Price provided the Board with the PSI examinations report and updated them on the work staff had been doing to look at pass rates. Ms. Price reported that as of the end of October 2021, the Board had a cash balance of \$309,634.92. Ms. Price provided the Board with an update regarding regulation changes that have been submitted and that LLR staff expected the requested changes to go through the legislative process at the beginning of 2022. Staff is looking at scheduling another Regulatory Review for the Board at the next meeting to discuss identified issues in the Regulations.

Office of Investigations and Enforcement (OIE) Report - Todd Bond

Mr. Bond reported that as of today, December 14, 2021, OIE has received 143 complaints this year. There are currently 53 active investigations and 118 cases have been closed.

Mr. Bond explained that the low dealer lot inspections was due to the retirement of one of the Manufactured Housing Investigators, R.J. Kirby, who was with LLR for many years. Gwyn Morris has been handling the extra inspections and there is a new investigator scheduled to start January 2, 2022.

Investigative Review Committee (IRC) Report – Todd Bond

Mr. Bond presented the IRC report from November 30th and December 3, 2021. The IRC recommended 14 cases for dismissal and 1 case for citation.

MOTION:

Motion to approve the IRC Report. Randall/Moore/approved

Office of Disciplinary Counsel (ODC) - Robert Elam

Mr. Elam reported to the Board that as of December 1, 2021, there were 8 cases open in ODC. Four of the cases are pending hearings and agreements. There are no cases pending closure. Since the beginning of the year, ODC has closed 6 cases and 2 cases since last quarterly meeting

Disciplinary Hearings

Case No. 2018-71, 2018-105, 2019-30, 2019-65 The hearing was continued.

New Business

Tuesday, December 14, 2021

10:00 a.m.

Review and Approval of IRC Professional Members

Ms. Price informed the Board that she and Todd Bond worked closely with Mark Dillard, MHISC, for recommendations for new Investigative Review Committee (IRC) professional members. Ms. Price reached out to Mr. Dillard who submitted the following: Richey Massey (owner of Massey Transport), Robbie Ethridge (owner of Lexington Discount Homes), Jay Phillips (Oakwood Homes of Florence), and Johnny Hanna (general manager for Ken-Co Homes of Florence). The recommendation list was presented to the Board for approval.

MOTION:

Motion to approve New IRC Professional Members. Randall/Graham/approved

Regulation 79-27 Manufactured Home Show Permits

Ms. Price asked the Board for direction regarding the Manufactured Home Show Permit. Ms. Price wanted to know if staff should still issue Manufactured Home Show Permits or if Regulation 79-27 should remain a Regulations, since a permit has not been issued in roughly the last ten years. The Board reviewed the current application and suggested that the Regulation remain, should manufacturers decide to show homes in the future.

Section 40-29-200(G)-Clarification of Other Relevant Experience Acceptable to the Board

Ms. Price asked the Board to clarify what is meant by "other relevant experience acceptable to the board" in Section 40-29-200(G). She asked the Board how to handle situations where there is no clear manufactured housing experience for an applicant. She wanted to know if staff should hold the applications until the next quarterly board meeting or would the Board rather delegate review to a board member to decide if the experience is acceptable for licensure. The Board discussed the issue and recommended that staff continue to bring applicants before the Board for application hearings if there are any questions about acceptable experience. Also, the Board requested to see a printout of approved dealers at each quarterly meeting to monitor who was getting in the industry.

Review and Approval of Initial Licensure Applications

Ms. Price informed the Board that all applications and the application processes are being revised to include clarifying the instructions and making sure the appropriate questions are being asked. There will be a separate instruction page that clarifies the application process for each application. Staff has also worked to clarify what is required when there is an Authorized Official who is an owner of the company, and what is required when the Authorized Official is a separate person that requires a separate license. Ms. Price informed the Board that this Board has prorated fees in Regulation that have not been taking place with the current applications, but that is also being corrected.

MOTION:

To approve the dealer application with revisions as suggested and delegate to staff to proceed with other applications.

Randall/Bagwell/approved

Tuesday, December 14, 2021

10:00 a.m.

Committee Reports

Mr. Bagwell reported on the Retail Dealer Purchase Agreement committee. The committee is in the process of creating a purchase agreement that can be on a board approved form. Mr. Stuart stated that the issue is that there needs to be two separate documents, a purchase agreement and a sales contract. Regulation 79-15 talks about the retail dealer's sales transactions and Regulation 79-17 talks about contracts, deposits and down payments. Mr. Stuart advised that he feels the committee must come up with a neutral form that neither favors the dealer or the purchaser nor is not a sales contract. Ms. Price stated that the current language will be reviewed and that staff will work with MHISC to see if they have additional input and bring it back to the full Board.

Public Comments

Mr. Altman wanted to know when the Ethics report is due.

Adjournment

MOTION:

To adjourn.

Newton/Randall/approved

The Board Meeting adjourned at 11:19 am.