

HCS#2 SCS SB 313 -- CONSUMER PROTECTION

SPONSOR: Scott (Sutherland)

COMMITTEE ACTION: Voted "do pass" by the Special Committee on Professional Registration and Licensing by a vote of 9 to 0.

This substitute changes the laws regarding manufactured housing dealers and installers and commercial relationships between persons in the retail sale or lease of merchandise business. In its main provisions, the substitute:

- (1) Changes the registration requirement for individuals who offer to sell four or more used manufactured homes or one or more new manufactured homes within a year. Currently, every manufactured housing manufacturer or dealer who offers for sale four or more new or used homes must register with the Missouri Public Service Commission;
- (2) Creates the Manufactured Housing Consumer Recovery Fund to pay claims filed by aggrieved consumers who have exhausted all other legal remedies;
- (3) Requires manufactured home dealers to provide purchasers with a bill of sale containing the serial number and the names of the persons responsible for the installation and setup;
- (4) Requires every manufactured home dealer to register and pay a \$200 registration or renewal fee by January 15 each year designating a permanent place of business for its sales and record keeping;
- (5) Allows the commission to refuse to register an applicant or suspend or revoke a registration which will apply to all registrations held by the dealer if there is a consistent pattern of abuse. The commission, through its general counsel, may seek remedies in a circuit court for violations; and
- (6) Prohibits an aggrieved person who has suffered an ascertainable loss of money or property as a result of an intentional act from bringing civil actions against any person who has no commercial relationship to the aggrieved person.

FISCAL NOTE: No impact on state funds in FY 2008, FY 2009, and FY 2010.

PROPOSERS: Supporters say that the bill establishes standards for installing and constructing manufactured housing and gives the consumer some options for recourse against fly-by-night dealers and installers of manufactured homes.

Testifying for the bill were Senator Scott; Missouri Public Service Commission; and Missouri Manufactured Housing Association.

OPPONENTS: Those who oppose the bill say that it does not bring the Missouri Public Service Commission any closer to fixing the problem. The first time a big problem arises, it will deplete the recovery fund.

Testifying against the bill was Ned Beech, Fuqua Homes, Incorporated.