### **LCB File No. R127-08**

# PROPOSED REGULATION OF THE MANUFACTURED HOUSING DIVISION OF THE DEPARTMENT OF BUSINESS AND INDUSTRY

Explanation – Matter in *italics* is new, matter in brackets{omitted material} is material to be omitted.

### AUTHORITY: NRS118B.024

A REGULATION relating to Landlord Tenant; adding provisions regarding criteria for approving a prospective tenant; payment of interest on deposit; issuing receipts for payment; testing and posting water quality reports; distribution of certain information on owners, managers, and assistant managers; maintenance of common areas; emergency repairs; license requirements for certain repairs; tenants to secure written approval from the landlord; criteria for other determining the fair market value on mobile/manufactured homes and other matters properly relating thereto.

### CHAPTER 118B - LANDLORD AND TENANT: MANUFACTURED HOME PARKS

# CHAPTER 118B OF NAC IS HEREBY AMENDED BY ADDING THERETO NEW SECTIONS 1 TO 15 TO READ AS FOLLOWS:

CECTION 1

SECTIO	N I
118B.	"Amenity" defined.
118B.	"Application Fee" defined.
118B.	"Complaint" defined
118B.	"Guest" defined.
118 <b>B</b>	"Immunity" defined.
118B.	"Manager" defined.
118B.	"Natural person" defined.
118B.	"Non-Lease Occupant" defined.
118 <b>B</b>	"Personal Service" defined.
118B.	"Service" defined.
118 <b>B</b>	"Tenant" defined.
SEC 2 L	ANDLORD AND TENANT, MOBILE HOME PARKS
118 <b>B</b>	Criteria for approving a prospective tenant
118 <b>B</b>	Payment of interest on deposits.
118 <b>B</b>	Issuing receipts for payment of space rent to tenants.
118 <b>B</b>	Posting of water quality report and testing of water quality.
118 <b>B</b>	Landlord to provide information to tenants on owners, managers and assistant managers.
118 <b>B</b>	Maintenance and repair of common area by landlord.

- 118B Contact for emergency repairs.
- 118B Licensed person to perform certain repairs.
- 118B Tenant to secure written approval from landlord.
- 118B Fair market value of mobile/manufactured homes.
- 118B Guest or additional occupant.

#### SEC 3

- NAC118B. "Amenity" defined.(NRS118B.153) "Amenity" means any feature that contributes to the physical or material comfort of the tenant(s).
- NAC118B. "Application Fee" defined.(NRS118B.040) "Application Fee" means any charge to a prospective tenant for processing an application for tenancy, a credit report and/or back ground check.
- NAC 118B. "Complaint" defined. (NRS 118B.024, 118B.026) "Complaint" means a written statement submitted to the Division on a form prescribed by the Administrator.
- NAC 118B. "Guest" defined. (NRS 118B.150, 118B.190) "Guest" means an individual who resides with a tenant for 60 days or less in a calendar year.
- NAC 118B. "Immunity" defined. "Immunity" means that the Administrator, the Division, and the experts, attorneys, investigators, consultants and other personnel of the Division are immune from any civil liability for any decision or action taken in good faith and without malicious intent in carrying out the provisions of this chapter.
- NAC 118B. "Manager" defined. (NRS 118B.0145, 118B.086) "Manager" includes the owner of a manufactured home park which has 2 or more lots or an individual, or a person who is employed by the owner of a manufactured home park to act as the manager.
- NAC 118B. "Natural person" defined. (NRS 118B.110, 118B.190, 118B.200) "Natural person" means a real human being.
- NAC 118B. "Non-Lease Resident" defined. "Non-Lease Resident" means an individual who resides with a tenant for 61 days or more in a calendar year.
- NAC 118B. "Personal Service" defined. (NRS 118B.030) "Personal Service" means handing the document directly to the individual named in the document.
- NAC 118B. "Service" defined. "Service" means the performance of any duties or work for another; helpful or professional activity.
- NAC 118B. "Tenant" defined. (NRS 118B.0185) "Tenant" means the individual who owns the mobile/manufactured home and has a rental or lease agreement with the landlord.

NAC118B. "Impact Statement" defined (NRS118B.184) "Impact Statement" means a form prescribed by the Division related to the closure or conversion of a mobile or manufactured park.

#### SEC 4 LANDLORD AND TENANT: MANUFACTURED HOME PARKS

NAC 118B Criteria for approving a prospective tenant. (NRS118B.040, 1.(d), 118B.140 and 118B.170) The landlord shall use the same criteria in deciding to accept an applicant or prospective tenant whether the applicant or prospective tenant is;

- (a) purchasing the home from a licensed dealer;
- (b) purchasing the home from a private party, or
- (c) purchasing the home from the park

### SEC 5

NAC 118B Interest on Deposits (NRS118B.060) For the purposes of this section, the rate of interest must be equal to the average of the prevailing rates of interest for deposits, as determined by the Administrator. All deposits held from October 1, 1991 through July 1, 2003 must be paid at 5% compounded annually as required by NRS118B during this time period. The average annual percentage rates are to be based on the prevailing rate as recorded on January 1st and July 1st of each year. The annual percentage rate will be collected from two Nevada financial institutions and two National financial institutions.

#### SEC 6

NAC 118B Landlord to issue receipt of payment of rent to tenant (NRS118B.073) Upon payment of the periodic rent by a tenant of a mobile or manufactured home park, the landlord shall issue to the tenant a receipt, which may be hand written or computerized, and must contain the date received, the amount of the payment, and any balance remaining. Cancelled personal checks, cashiers checks, or money order receipt copies are not considered receipts for the purpose of this section. The landlord shall issue the receipt as soon as practicable, but not later than 5 days after he receives payment.

# SEC 7

NAC 118B Landlord to post annual water quality report of water supplied to park. (NRS118B.077)

The landlord of a mobile or manufactured home park shall maintain and post annually, in a conspicuous and readily accessible location which is protected from the element, a current report on the quality of the water that is supplied to the mobile or manufactured home park. If no location is available for displaying the report, then the report must be mailed to each tenant.

### SEC 8

NAC 118B Landlord to disclose certain information regarding owner and manager or assistant manager of park. (NRS118B.080) The landlord must notify each tenant in writing the name, address and telephone number of the park owner, manager or assistant mangers. and any subsequent changes of ownership, including his address and phone number, manager or assistant mangers within 30 days of any change.

#### SEC 9

NAC 118B Landlord responsibility for maintenance and repair of common areas. (NRS118B.090) For purposes of this section the common area includes, but is not limited to, electrical service, including up to the disconnect, if needed,, plumbing and sanitary service apparatus located underground in each rented space and which is not an appurtenance of the mobile or manufactured home.

### **SEC 10**

NAC 118B Landlord to authorize or contract for repairs; contract for emergency repairs; notice. (NRS118B.095) The landlord shall provide to each tenant, in writing, the name and phone number of the third party emergency contact for repairs as referenced in NRS118B.090. Any change in the emergency contact provider shall be posted, recorded on the park's message machine and/or answering service within 24 hours of the change.

### **SEC 11**

NAC 118B Licensed person required to perform certain repairs. (NRS118B.097)

1. As referenced in NRS624 Contractors, Section .284 License: Limitation of scope. A contractor's license issued pursuant to this chapter does not authorize a contractor to construct or repair a mobile home, manufactured home or commercial coach. A licensed contractor may construct or repair a mobile home

Manufactured home or commercial coach if he owns the unit.

- 2. Any repair to a mobile or manufactured home that may affect the structural, electrical, plumbing, drainage, roofing, mechanical or sold fuel burning systems of the home, or requires a permit, and/or inspection, must be performed by a person licensed under NRS489.314.
- 3. A homeowner may make minor repairs, replacements and cosmetic changes himself, or any individual qualified to makes repairs, replacements or cosmetic changes, which do not require licensure. Such items may include, but are not limited to, the changing of faucets, light fixtures, switches, smoke alarms and other items not requiring a permit or inspection. Homeowners may contact the Division for additional clarification.

# **SEC 12**

NAC 118B Tenant to secure approval of landlord. (NRS118B.125) A tenant shall secure written approval from the landlord or management prior to making any exterior improvements or additions to his mobile/manufactured home, or lot, which may require a permit, or approval as referenced in the Park's rental agreement, lease, or Park Rules and Regulations.

#### **SEC 13**

NAC 118B Fair Market Value of a mobile or manufactured home. (NRS118B.130, 118B.177, 118.180, 118B.183)

- 1. The landlord or his agent shall use a Manufactured Home Dealer licensed pursuant to chapter 489, when determining the fair market value of a mobile or manufactured home.
  - 2. The Dealer shall hold a professional certification as an appraiser by (a) the National Society of Appraiser Specialist, or

- (b) the BCMHV, Board Certified Mobile/Manufactured Home Valuator, or other verifiable professional organization, and
  - (c) must use current guidelines as set forth in the N.A.D.A. or N.A.S.
- (d) if there is no licensed Dealer available, who holds a professional certification as an appraiser, then an individual who meets the HUD4150.2, Chapter 8-3 Appraiser Qualifications for Manufactured Homes, classified as personal property, may be selected.
- 3. The Administrator may determine the Fair Market Value when multiple appraisals are presented to the Division.

#### **SEC 14**

NAC118B Guest or additional resident(s) (NRS118B.150) No agreement between a tenant and his guest or additional non-lease resident alters or varies the terms of the rental contract between the tenant and the landlord. The park may not require a tenant to alter or change the terms of his lease or rental agreement when a guest, who stays 60 days or less, or an additional non-lease resident resides with the tenant. Guest and non lease residents are required to abide by the park rules and regulations.

### **SEC 15**

NAC118B Reduction of rent upon decrease or elimination of services, utility or amenity (NRS118B.153) A tenant's rent must be reduced proportionately when there is a reduction or loss of an amenity or service which has been provided by the landlord..

- 1. Amenities may include, but not limited to, gated community, pool, spa, clubhouse or recreational facilities.
- 2. Service may include, but is not limited to, on-site manager(s); security gate guard or security patrol.
  - 3. Utilities as defined in NRS118B.0195.

# CHAPTER 118B SECTION <u>16</u> TO <u>18</u> IS HEREBY AMENDED TO READ AS FOLLOWS:

ASSISTANCE FOR LOW-INCOME OWNERS OF MANUFACTURED HOMES

# SEC 16 NAC118B.390 is hereby amended to read as follows:

NAC 118B.390 Completion of report by manager; contents of report. (NRS 118B.024, 118B.215)

- 1. After the Division receives an application for assistance, it will mail to the manager of the manufactured home park where the applicant resides, a **[report on a]** *certification* form provided by the Division for completion by the manager.
  - 2. The report must include:
  - (a) The applicant's monthly rent;
  - (b) The space number and size of the applicant's lot;
  - (c) The date on which the applicant's tenancy at the manufactured home park began; and
  - (d) Any other information the Division may require.
- 3. The manager shall complete the report and return it to the Division within 5 days after he receives the report. The report must be signed by the manager and notarized.

# SEC 17 NAC118B.420 is hereby amended to read as follows:

**NAC 118B.420** Annual report of recipient. (NRS 118B.024, 118B.215)

- 1. Each recipient shall submit an annual **[report]** *re-qualification form* to the Division on a form provided by the Division not later than March 1 of each year.
  - 2. The Division will mail the form to each recipient not later than January 31 of each year.
- 3. A recipient who submits an annual [report] *re-qualification form* which the Division receives after March 1 is not entitled to receive assistance from the Fund unless he submits a new application for assistance to the Division and the Administrator approves the application. A person who submits a new application pursuant to this subsection is entitled to receive assistance subject to the provisions of NAC 118B.400 and 118B.410.
- 4. Each [report] *re-qualification form* must include a statement signed by the recipient under penalty of perjury that he has read and understood the provisions of NRS 118B.218 and 118B.251.

# SEC 18 NAC118B.430 is hereby amended to read as follows:

NAC 118B.430 Annual report of manager or owner of manufactured home park. (NRS 118B.024, 118B.215)

- 1. Each manager or owner of a manufactured home park shall submit a *re-certification form* [report to the Division on a form] provided by the Division not later than March 1 of each year.
- 2. The Division will mail the form to each manager or owner not later than [January 31] *February 1st* of each year.
- 3. Each annual report must be signed by the manager or owner and include a statement that the manager or owner who signed the annual report has read and understood the provisions of NRS 118B.251.