

**ADOPTED REGULATION OF THE
ADMINISTRATOR OF THE HOUSING DIVISION OF THE
DEPARTMENT OF BUSINESS AND INDUSTRY**

LCB File No. R195-24

EXPLANATION – Matter in *italics* is new; matter in brackets ~~[omitted material]~~ is material to be omitted.

AUTHORITY: § 1, NRS 319.169; §§ 2, 5 and 23, NRS 489.231; § 3, NRS 489.231 and 489.325; § 4, NRS 489.231 and 489.343; §§ 6 and 8-21, NRS 489.231 and 489.285; § 7, NRS 489.231 and 489.261; § 22, NRS 489.231, 489.336 and 489.481.

A REGULATION relating to housing; authorizing the Housing Division of the Department of Business and Industry to use money in the Account for Housing Inspection and Compliance for certain purposes; providing that a license as a specialty serviceperson becomes immediately inactive upon the revocation, suspension or placement on inactive status of a license issued by the State Contractors' Board; establishing certain requirements relating the transfer of ownership or control of certain entities doing business as a manufacturer, dealer, distributor, general serviceperson or specialty serviceperson in this State; authorizing a designee of the Administrator of the Division to effect certain powers and duties of the Administrator; revising the method by which certain notices are provided by the Administrator; revising provisions relating to continuing education; revising provisions relating to applications for limited lien resale licenses; repealing a requirement for certain licensees to carry an identification card during working hours; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law creates the Account for Housing Inspection and Compliance in the State General Fund and requires the Administrator of the Housing Division of the Department of Business and Industry to adopt regulations setting forth the use of the money in the Account. (NRS 319.169) **Section 1** of this regulation sets forth certain authorized uses for money in the Account.

Existing law authorizes the Administrator to adopt regulations which provide for the licensing of specialty servicepersons. (NRS 489.325) Existing regulations require an applicant for such a license to submit to the Division an application on a form provided by the Division and proof that the applicant holds a license issued by the State Contractors' Board which indicates proficiency in the category of license for which he or she is applying to the Division. (NAC 489.311) If the holder of a license as a specialty serviceperson has his or her license issued by the Board revoked, suspended or placed on inactive status, **section 3** of this regulation: (1) provides that his or her license as a specialty serviceperson becomes inactive immediately; and (2) requires the person to provide notice of the revocation, suspension or change in status to the

Division within 5 business days. **Section 3** prohibits the Division from placing a license as a specialty serviceperson that has become inactive under such circumstances on active status unless the holder of the license submits proof that his or her license issued by the Board has been reinstated or placed on active status.

Existing law requires every partnership, limited partnership, limited-liability partnership, limited-liability limited partnership or limited-liability company doing business as a manufacturer, dealer, distributor, general serviceperson or specialty serviceperson in this State, as well as every corporation doing business as such an entity in this State, to designate one of its members or officers, as appropriate, to submit an application for a manufacturer's, dealer's, distributor's general serviceperson's or specialty serviceperson's license. (NRS 489.343) **Section 4** of this regulation requires, if such an entity transfers control or ownership of the business to another person: (1) the designated member or corporate officer of the business to whom the license is issued to submit notice of the transfer to the Division within 30 days; and (2) the person to whom control or ownership was transferred to submit such an application for a manufacturer's, dealer's, distributor's, general serviceperson's or specialty serviceperson's license, as applicable.

Existing regulations set forth certain powers and duties of the Administrator relating to the approval of certain applications and the oversight of continuing education requirements. (NAC 489.183, 489.303, 489.470, 489.610-489.662) **Sections 5-21** of this regulation provide that such powers and duties may be exercised by a designee of the Administrator.

Existing law requires the Division to adopt regulations concerning continuing education requirements for dealers, distributors, general servicepersons, specialty servicepersons, responsible managing employees and salespersons that must include criteria for approving educational and training programs. (NRS 489.285) **Section 11** revises the information that is required in an application for approval as an instructor or sponsor or a course of continuing education and provides that the Administrator or his or her designee will provide certain notice of the approval or denial of such an application by electronic, rather than certified, mail. **Section 14** similarly revises certain notice requirements relating to the withdrawal of approval of an instructor, sponsor or course by requiring the Administrator or his or her designee to send such notice by electronic, rather than certified, mail.

With certain exceptions, existing regulations prohibit the Administrator from approving an instructor for a course unless he or she is of good moral character and: (1) holds a bachelor's degree or graduate degree in the area of instruction; (2) teaches at a college or university within the Nevada System of Higher Education or any other accredited college or university in the area of instruction; (3) is approved by the Real Estate Division of the Department to teach courses relating to real estate; or (4) has at least 5 years of full-time experience, other than clerical experience, in the area of instruction. (NAC 489.628) **Section 12** revises this prohibition to instead require only that the instructor has at least 5 years of full-time experience, other than clerical experience, in the area of instruction.

Existing law requires the Division to adopt regulations for the issuance of limited lien resale licenses and permits authorizing a landlord or manager to sell a used mobile home if certain requirements are met. (NRS 489.336) Existing regulations require a landlord or manager of a mobile home park that wishes to sell a used mobile home or manufactured home acquired under certain circumstances to obtain a limited lien resale license from the Division. Existing regulations further require such an applicant to submit a copy of the state business license issued for the mobile home park where the used mobile home or manufactured home to which the

limited lien resale license will apply is located: (1) with a completed application, unless the applicant has previously submitted an application for such a license within 2 years; and (2) if the landlord of the mobile home park changes the name or address of the mobile home park. (NAC 489.775) **Section 22** of this regulation removes the: (1) requirement to submit such a copy if the name or address of the mobile home park changes; and (2) 2-year exception from the requirement to submit a copy of the state business license with a completed application.

Section 23 of this regulation repeals a requirement that certain licensees who reconstruct, service or install manufactured homes, mobile homes or commercial coaches carry, during working hours, the identification card issued by the Division. (NAC 489.342)

Section 1. Chapter 319 of NAC is hereby amended by adding thereto a new section to read as follows:

The Division may use the money in the Account for Housing Inspection and Compliance created by NRS 319.169 for costs incurred by the Division related to:

1. Issuing licenses for:

(a) Manufactured homes, mobile homes, manufactured buildings, commercial coaches, factory-built housing or manufactured home parks pursuant to chapters 118B, 461, 461A and 489 of NRS; and

(b) Manufacturers, general servicepersons, dealers, responsible managing employees, salespersons, distributors and specialty servicepersons pursuant to chapter 489 of NRS.

2. Regulating:

(a) Housing for persons of low-income that is financed pursuant to chapter 319 of NRS;

(b) Manufactured homes, mobile homes, manufactured buildings, commercial coaches, factory-built housing or manufactured home parks pursuant to chapters 118B, 461, 461A and 489 of NRS; or

(c) Manufacturers, general servicepersons, dealers, responsible managing employees, salespersons, distributors and specialty servicepersons pursuant to chapter 489 of NRS.

3. Maintaining title records and issuing certificates of title, property liens and conversions to real property of a mobile home or manufactured home.

4. Investigating complaints, including, without limitation, a complaint between a landlord and a tenant of a mobile home park or a complaint alleging unlicensed activity over which the Division has authority pursuant to chapters 118B, 461, 461A or 489 of NRS.

5. Administrating an educational and training program for a provider of manufactured housing.

6. Purchasing vehicles for the purpose of carrying out the duties of the Division set forth in chapters 118B, 461, 461A and 489 of NRS.

7. Any other purpose described in NRS 319.169 or otherwise authorized by specific statute.

Sec. 2. Chapter 489 of NAC is hereby amended by adding thereto the provisions set forth as sections 3 and 4 of this regulation.

Sec. 3. 1. *If a person who holds a license as a specialty serviceperson has his or her license issued by the State Contractors' Board revoked, suspended or placed on inactive status:*

(a) His or her license as a specialty serviceperson becomes inactive immediately; and

(b) He or she must provide notice to the Division within 5 business days of the revocation, suspension or change of status of the license issued by the State Contractors' Board.

2. The Division will not place a license as a specialty serviceperson that has become inactive pursuant to subsection 1 on active status unless the holder of the license submits to the Division proof that his or her license issued by the State Contractors' Board has been reinstated or placed on active status.

3. Any service provided during a period in which a license as a specialty serviceperson is inactive pursuant this section constitutes grounds for disciplinary action.

Sec. 4. *Except as otherwise provided in NAC 489.331, if a partnership, limited partnership, limited-liability partnership, limited-liability limited partnership or limited-liability company or a corporation doing business as a manufacturer, dealer, distributor, general serviceperson or specialty serviceperson transfers control or ownership of the business to another person:*

1. The designated member or corporate officer of the business to whom the license is issued must submit notice of the transfer to the Division within 30 days after the transfer; and

2. The person to whom control or ownership was transferred must submit an application for a license as a manufacturer, dealer, distributor, general serviceperson or specialty serviceperson, as applicable, pursuant to NRS 489.343.

Sec. 5. NAC 489.183 is hereby amended to read as follows:

489.183 For the purposes of obtaining the approval of the Administrator *or his or her designee* for a system of construction or a plan for a model of a commercial coach, a manufacturer of commercial coaches shall be deemed a manufacturer of manufactured buildings subject to the requirements set forth in NAC 461.050, 461.100 to 461.200, inclusive, 461.207 and 461.300 to 461.380, inclusive.

Sec. 6. NAC 489.303 is hereby amended to read as follows:

489.303 The holder of a dealer's, distributor's, general serviceperson's, specialty serviceperson's, responsible managing employee's or salesperson's license issued by the Division pursuant to chapter 489 of NRS may submit a written petition to the Administrator *or his or her designee* for an extension of time in which to comply with the requirements for

continuing education set forth in NRS 489.323. The Administrator *or his or her designee* may grant an extension if he or she finds that the holder of the license has a severe hardship resulting from circumstances beyond the holder's control which have prevented him or her from complying with the requirements.

Sec. 7. NAC 489.470 is hereby amended to read as follows:

489.470 1. A person shall not attach a structure to a manufactured home or mobile home unless:

(a) The structure is an awning, carport, steps or porch that is constructed of a light-weight metallic material;

(b) The attachment complies with all applicable technical codes; and

(c) The person first obtains the approval of the Division.

2. An application for approval of the attachment must be accompanied by one copy of the plan for the attachment. The Administrator *or his or her designee* will keep a copy of the plan for at least 2 years after it is submitted to him or her. The Administrator *or his or her designee* will approve or deny the application within 15 days after receiving it.

3. Any structural element of an attached awning, carport, porch or steps must be constructed or installed in accordance with the plan approved by the Division.

Sec. 8. NAC 489.618 is hereby amended to read as follows:

489.618 "Instructor" means a person approved by the Administrator *or his or her designee* to teach a course.

Sec. 9. NAC 489.622 is hereby amended to read as follows:

489.622 “Sponsor” means any person, business, school or organization which is approved by the Administrator *or his or her designee* to act as surety for an approved instructor of a course.

Sec. 10. NAC 489.624 is hereby amended to read as follows:

489.624 1. A person shall not:

(a) Offer or teach a course unless the course and the instructor have first been approved by the Administrator ~~;~~ *or his or her designee*; or

(b) Hold himself or herself out as a sponsor unless the person has first been approved by the Administrator ~~;~~ *or his or her designee*.

2. A person who applies for approval as an instructor or sponsor or for approval of a course must submit an application to the Administrator *or his or her designee* on a form provided by the Division.

Sec. 11. NAC 489.626 is hereby amended to read as follows:

489.626 1. An application for approval of a sponsor, instructor or course must include:

(a) The name and address of the person, business, school or organization offering the course;

(b) The type of business, school or organization;

(c) The name of the owner of the business, school or organization and the name and address of each director, principal, officer and any other person who has a financial interest in that business, school or organization;

(d) The name and resume of the instructor of the course;

(e) An outline of the course;

(f) ~~The amount of time allocated for each subject included in the course;~~

~~(g) The title, author and publisher of each textbook, if any, required for the course;~~

~~—(h)] A copy of the form that will be used to evaluate the course upon its conclusion;~~

~~[(i)] and~~

(g) A statement of:

(1) The purpose of the course; *and*

(2) ~~[(The fee for the course;~~

~~—(3) The number of examinations, if any;~~

~~—(4) The grading system, if any, including the method of testing and standards of grading;~~

~~—(5) The requirements for] *How* attendance [; and~~

~~—(6) The location where records of the students] will be [maintained; and~~

~~—(j) A copy of each examination, if any,] *recorded* for the course . ~~[and the correct answer for each question.]~~~~

2. The Administrator *or his or her designee* will, within 30 days after receiving an application, approve or deny it and give written notice of his or her decision to the applicant by ~~[certified]~~ *electronic* mail. If the application is approved, the Administrator *or his or her designee* will include in the written notice an identification number for the course.

Sec. 12. NAC 489.628 is hereby amended to read as follows:

489.628 1. ~~[(The)]~~ *Except as otherwise provided in subsection 2, the* Administrator *or his or her designee* will not approve an instructor for a course unless he or she ~~[is of good moral character and, except as otherwise provided in subsection 2:~~

~~—(a) Holds a bachelor's degree or graduate degree in the area of instruction;~~

~~—(b) Teaches at a college or university within the Nevada System of Higher Education or any other accredited college or university in the area of instruction;~~

~~—(c) Is approved by the Real Estate Division of the Department to teach courses relating to real estate; or~~

~~—(d) Has] *has*~~ at least 5 years of full-time experience, other than clerical experience, in the area of instruction.

2. The Administrator *or his or her designee* may approve an employee of the Division or any other person as an instructor of a course if the Administrator *or his or her designee* is satisfied that he or she has the knowledge and experience required to teach that course.

Sec. 13. NAC 489.630 is hereby amended to read as follows:

489.630 The Administrator *or his or her designee* will consider, without limitation, the following criteria in determining whether to approve a course:

1. Whether the course consists of at least 4 hours of instruction.
2. The willingness of the sponsor or instructor of the course to certify to the attendance of persons at the course.
3. The willingness of the sponsor or instructor of the course to maintain for 5 years a record of attendance which contains:
 - (a) The name, address and number of the student's license issued by the Division;
 - (b) The name of the instructor of the course;
 - (c) The title and description of the course; and
 - (d) The hours of instruction attended and dates of attendance.
4. The willingness of the sponsor of the course to ensure that an approved instructor will preside throughout the course.
5. If the course is offered by correspondence or videotape, whether the sponsor will:
 - (a) Administer an open-book final examination;

(b) Administer at least one examination or evaluation during the course in addition to the final examination; and

(c) Establish a policy for retaking an examination which a student fails.

6. If a course is presented by videotape, whether the sponsor will provide an instructor approved by the Administrator *or his or her designee* at the place where the course is offered.

7. If the sponsor or instructor of the course is licensed by the Division, whether his or her license is in good standing, as determined by the Administrator ~~[]~~ *or his or her designee*.

Sec. 14. NAC 489.644 is hereby amended to read as follows:

489.644 1. The Administrator *or his or her designee* may withdraw his or her approval of an instructor, sponsor or course if the Administrator finds that:

(a) The quality of the instruction is unsatisfactory; or

(b) The instructor or sponsor has violated any of the provisions of NAC 489.610 to 489.662, inclusive.

2. If the Administrator *or his or her designee* withdraws his or her approval of an instructor, sponsor or course, the Administrator *or his or her designee* will send, by ~~[certified]~~ *electronic* mail, a written notice to the instructor or sponsor. The notice will include the reason for the withdrawal of approval.

3. The instructor or sponsor may request a hearing if he or she sends a written request for a hearing to the Administrator within 20 days after receiving the notice from the Administrator ~~[]~~ *or his or her designee*.

4. The Administrator will hold the hearing within 45 days after the request for a hearing is submitted to the Administrator.

5. The Administrator will, within 20 days after the hearing, send, by ~~certified~~ *electronic* mail, written notice of his or her decision to the instructor or sponsor.

6. The decision of the Administrator is a final decision for the purpose of judicial review.

Sec. 15. NAC 489.646 is hereby amended to read as follows:

489.646 Each sponsor or instructor who is approved by the Administrator *or his or her designee* shall:

1. Maintain a record of each student's attendance and completion of the course for 5 years after the course is offered.

2. Make the records described in subsection 1 available for inspection by the Division.

3. Within 15 days after the occurrence of any change in the information included in his or her application, notify the Division, in writing, of that change.

4. Provide, upon the request of a student, proof of attendance and a copy of his or her certificate of completion.

5. Send written notice to the Administrator *or his or her designee* at least 30 days before the course is offered. The notice must include the identification number for the course assigned by the Division and the date, time and location of the course.

Sec. 16. NAC 489.648 is hereby amended to read as follows:

489.648 A sponsor or instructor who offers a course by correspondence or videotape shall require each student to:

1. Take an open-book final examination with a proctor present at a location as designated by the sponsor in its application for approval filed with the Administrator ~~;~~ *or his or her designee;*

2. Take at least one examination during the course in addition to the final examination;

3. Prove his or her identity before the student is allowed to take any examination; and

4. Complete the course within the period required by the Administrator ~~or~~ *or his or her designee.*

Sec. 17. NAC 489.652 is hereby amended to read as follows:

489.652 A sponsor shall not employ a person as an instructor of a course unless the person and the course have first been approved by the Administrator ~~or~~ *or his or her designee.*

Sec. 18. NAC 489.654 is hereby amended to read as follows:

489.654 An organization which offers a course approved by the Administrator *or his or her designee* shall not restrict enrollment in the course solely to members of that organization.

Sec. 19. NAC 489.656 is hereby amended to read as follows:

489.656 1. An instructor or sponsor shall not make any misrepresentation in the advertisement of any course offered pursuant to NAC 489.610 to 489.662, inclusive.

2. Each advertisement or form for registration for a course must include:

(a) A statement that the course, instructor and, if applicable, sponsor are approved by the Administrator ~~or~~ *or his or her designee;*

(b) The number of hours of credit for the course;

(c) The identification number for the course assigned by the Division; and

(d) Information concerning the cancellation of the course and the refunding of the fee for the course.

Sec. 20. NAC 489.658 is hereby amended to read as follows:

489.658 Each course approved by the Administrator *or his or her designee* must include in the materials required for the course:

1. A statement that the course is approved by the Administrator ~~or~~ *or his or her designee;*

2. A statement of the number of hours of credit for the course; and

3. The identification number for the course assigned by the Division.

Sec. 21. NAC 489.662 is hereby amended to read as follows:

489.662 1. An instructor approved by the Administrator *or his or her designee* shall not issue a certificate of completion to any student who has not attended the required number of hours of instruction for the course.

2. As used in this section, “hour of instruction” means 50 minutes of instruction or more.

Sec. 22. NAC 489.775 is hereby amended to read as follows:

489.775 ~~[(1)]~~ Before a landlord or manager of a mobile home park may sell a used mobile home or manufactured home acquired at a sale to enforce a lien pursuant to NRS 108.265 to 108.367, inclusive, or acquired through a voluntary surrender by the owner of the mobile home or manufactured home, the landlord or manager must obtain a limited lien resale license from the Division. The license may be obtained by applying to the Division on a form supplied by the Division. ~~[(Except as otherwise provided in this section, in)]~~ *In* addition to completing the application, the applicant must submit with the application:

~~[(a)]~~ 1. A fee of \$50;

~~[(b)]~~ 2. A copy of the state business license issued for the mobile home park where the used mobile home or manufactured home to which the limited lien resale license will apply is located; and

~~[(c)]~~ 3. An affidavit stating that the applicant:

~~[(1)]~~ (a) Owns or leases the mobile home park, if the applicant is the landlord of the mobile home park; or

~~[(2)]~~ (b) Is an employee of the landlord and has the written permission of the landlord to sell the used mobile home or manufactured home, if the applicant is the manager of the mobile home park.

~~[2.— Except as otherwise provided in subsection 3, an applicant who submits an application for a limited lien resale license to the Division within 2 years after submitting a previous application for such a license is not required to submit a copy of the state business license for the manufactured home park where the used mobile home or manufactured home to which the limited lien resale license will apply is located.~~

~~—3.— If a landlord or manager of a mobile home park has applied for or holds a limited lien resale license and the landlord of the mobile home park changes the name or address of the mobile home park, the landlord or manager shall submit to the Division a copy of the business license which indicates the new name or address of the mobile home park not later than 10 days after the local government issues such a business license.]~~

Sec. 23. NAC 489.342 is hereby repealed.

TEXT OF REPEALED SECTION

489.342 Possession of identification card. (NRS 489.231) A person licensed pursuant to the provisions of chapter 489 of NRS who reconstructs, services or installs manufactured homes,

mobile homes or commercial coaches shall carry upon his or her person, during working hours, the identification card issued to the person by the Division.