#### **LCB File No. R178-09**

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

Explanation – Matter in *Italics* is new, matter in brackets <del>[omitted]</del> is material to be omitted.

AUTHORITY: NRS 489.272;489.281;489.285

A REGULATION relating to standards for continuing education courses for licensed dealers, responsible managing employees, salesmen, general servicemen and specialty servicemen; requirements for submitting evidence of completion of continuing education; requirements allowing for alternative subjects, instructors, schools and sources of programs and guideline for courses of distance education; defining principal place of business; period for acceptance of results of examination; establishing fees for licensed distributors.

CHAPTER 489 OF NAC IS HEREBY AMENDED BY ADDING THERETO THE PROVISIONS SET FORTH AS SECTIONS 1 TO 6, INCLUSIVE, OF THIS REGULATION

- SEC 1 Standards for continuing education courses: For dealers, responsible managing employees, and salesmen:
  - 1. A course for continuing education must contain:
- (a) Current information which will improve the professional knowledge of the licensee and enable them to give better service to the public.
  - (b) Information that relates to pertinent Nevada laws and regulations in Chapter 489.
- 2. Courses approved by the Division in the following areas to be acceptable for continuing education:
  - (a) Ethics of selling;
  - (b) The preparation of Manufactured Housing contracts;
  - (c) Instruction on the Dealer's Report of Sale;
  - (d) Transfer of title;
  - (e) Listing agreements;
  - (f) Fair housing;
  - (g) Legislation which concerns manufactured housing division and it's licensees;
  - (h) The administration of manufactured housing law and regulations, including

licensing and enforcement; and

- (i) The State of Nevada, Real Estate Division's approved classes which may include but not limited to: broker management, ethics, and fair housing.
- SEC 2 Standards for course: For general serviceman and specialty serviceman:
- 1. A course for continuing education must contain current information which will improve the professional knowledge of the licensee and enable them to give better service to the public.
- 2. Courses in the following areas to be acceptable for continuing education are the latest adopted versions of:
  - (a) 24 C.F.R. Part 3280; Manufactured Housing Construction and Safety Standards;
- (b) The Nevada Manufactured Home, Mobile Home and Commercial Coach Installation Standards;
  - (c) Nevada Revised Statutes 489 and Nevada Administrative Codes 489.
- SEC 3 Requirements for submitting evidence of completion concerning continuing education:
  - 1. To receive a certificate of completion for an approved course a student must:
- (a) Direct his attention to the instruction being provided and refrain from engaging in activities unrelated to the instruction; and
- (b) Refrain from engaging in activities which are distracting to other students or the instructor, or which otherwise disrupt the orderly conduct of a class, including, without limitation, the use of voice pagers, beepers and telephones.
- 2. An instructor shall deny the award of a certificate of completion to a student who fails to satisfy the conditions.
- 3. If an instructor denies the award of a certificate of completion to a student, the student may, within 30 days after that denial, file a written request with the Administrator to review the matter. If the written request contains allegations which, if true, would qualify the applicant to receive a certificate of completion, the Administrator shall set the matter for an informal hearing before him to be conducted as soon as practicable.

- SEC 4 Requirements allowing for alternative subjects, instructors, schools and sources of programs, with approval from the Division:
- 1. A person who requests approval of a distance education course must demonstrate to the satisfaction of the Division that the proposed distance education course satisfies the following requirements:
- (a) The course must be designed to ensure that students actively participate in the instructional process by utilizing techniques that require substantial interaction with the instructor, other students, or a computer program. If the subject matter of the course is such that the learning objectives for the course cannot be reasonably accomplished without direct interaction between the instructor and the students, the course design must provide for such interaction.
- (b) If the course does not provide students with the opportunity for continuous audio and visual communication with the instructor during the presentation of the course, the course must utilize testing and remedial processes appropriate to ensure mastery of the subject matter of the course by the students.
- (c) If the course involves self-paced study, the course must be designed so that the time required for a student of average ability to complete the course is within the number of hours for which the course is approved, and the sponsor of the course shall utilize a system which ensures that students have actually performed all tasks designed to ensure participation and mastery of the subject matter of the course by the students.
- (d) The proposed methods of instruction used in the course must be appropriate to the proposed learning objectives of the course, and the scope and depth of the instructional materials must be consistent with the proposed learning objectives.
- (e) The sponsor of the course shall provide appropriate technical support to enable students to complete the course satisfactorily.
- (f) An approved instructor must be reasonably available to respond timely to questions asked by students concerning the subject matter of the course and to direct students to additional sources of information. For the purposes of this paragraph, a response by an approved instructor shall be deemed timely if the response is made within 2 business days after the question is submitted.

- (g) The sponsor of the course shall provide students with an orientation or information package which contains all information that the Division requires to be provided to students and all necessary information about the course, including, without limitation, information concerning fees and refund policies, subject matter and learning objectives, procedures and requirements for satisfactory completion, any special requirements with regard to computer hardware and software or other equipment, and instructor and technical support. The sponsor shall make available to students technical support relating to the use of any computer hardware or software, or other equipment or technology needed to complete the course.
- (h) The sponsor of the course shall utilize procedures which reasonably ensure that a student who receives continuing education credit for completing the course actually performed all the work required to complete the course. If the course involves independent study by students, such procedures must include, without limitation, the opportunity for direct contact by the sponsor with the student at the student's home or business via the telephone or electronic mail and a signed statement by the student certifying that he personally completed all course work. The sponsor shall retain such signed statements and records of student contact together with all other course records the sponsor must maintain.
- 2. A sponsor seeking approval of a computer-based distance education course must submit a complete copy of the course to the Division in the medium to be used and, if requested, must make available, at a date and time satisfactory to the Division and at the sponsor's expense, all equipment and software necessary to enable the Division to review the course. In the case of an Internet-based course, the sponsor shall provide the Division with access to the course via the Internet at no charge at a date and time satisfactory to the Division.
- 3. In determining whether to approve a distance education course pursuant to this section, the Division will consider whether:
  - (a) The course consists of at least 3 hours of instruction;
- (b) Students are required to complete a written examination proctored by a person acceptable to the Division or using a secure electronic method acceptable to the Division.
- SEC 5 Principal place of business defined (NRS 489.811) "Principal place of business" means the principal office or business location of the licensee. Principal place of business does not include post office box locations.

#### SEC 6 Period for acceptance of results of examination. (NRS 489.351)

All examinations administered by the Division will expire in 12 months, to the day, from the date of examination. Any person who fails the licensing examination (3) three times may not retest for a period of 90 days from the date of the last failed exam.

### CHAPTER 489 OF NAC SECTIONS 7 TO 22 ARE AMENDED TO READ AS FOLLOWS:

#### **SEC 7** NAC 489.303 is hereby amended to read as follows:

NAC 489.303 Continuing education: Proof of completion; extension of time. (NRS 489.231, 489.285, 489.323)

- 1. A person who wishes to renew or reinstate a *dealer's*, *responsible managing employee's*, *salesman's*, general serviceman's or specialty serviceman's license issued by the Division pursuant to chapter 489 of NRS must provide the Division with proof that he has completed the required number of hours of continuing education as set forth in NRS 489.323.
- 2. The holder of a *dealer's*, *responsible managing employee's*, *salesman's*, general serviceman's or specialty serviceman's license issued by the Division pursuant to chapter 489 of NRS may submit a written petition to the Administrator for an extension of time in which to comply with the requirements for continuing education. The Administrator may grant an extension if he finds that the holder of the license has a severe hardship resulting from circumstances beyond his control which have prevented him from complying with the requirements.
- 3. Those individuals who hold specialty serviceman licenses that do not require examination for the original issuance of a license, are exempt from continuing education requirements.
- 4. Licensed manufacturers and distributors are exempt from continuing education requirements for the renewal of their license.

#### **SEC 8** NAC 489.305 is hereby amended to read as follows:

**NAC 489.305 Branch offices.** (NRS 489.231, 489.305)

- 1. The Division may require as a condition of licensing any information it deems necessary for each location, *within the state*, where a manufactured home or commercial coach dealer, manufacturer, *distributor*, general serviceman or specialty serviceman maintains a branch office. Upon receiving sufficient information, the Division will issue a license for the branch office.
- 2. The mere listing of manufactured homes, mobile homes or commercial coaches for sale does not constitute a branch office, but the use of a mobile home park or estate sales office by a licensee for the sale or offering for sale of manufactured homes or mobile homes does constitute the maintenance of a branch office.
- 3. Except as provided in this subsection, the licensee is responsible for the operation of the branch office in accordance with the provisions of this chapter and chapter 489 of NRS.
- 4. If it is not feasible for a licensee to exercise direct supervision over a branch office, it must be managed by a corporate officer, partner or responsible managing employee.

- 5. A responsible managing employee of a branch office may not manage more than one branch office.
- 6. All branch office records required to be kept by this chapter and chapter 489 of NRS must be kept at that branch office or the main office of the licensee.
- 7. A branch office is not required to have a trust account separate from the trust account of the main office. If a separate account is maintained, the required signatures are those of the responsible managing.

#### **SEC 9** NAC 489.307 is hereby amended to read as follows:

#### **NAC 489.307 Operation of main office.** (NRS 489.231)

- 1. Except as otherwise provided in subsection 2, a dealer, *distributor, manufacturer*, general serviceman or specialty serviceman is responsible for the operation of the main office of the licensee's business in accordance with the provisions of this chapter and chapter 489 of NRS.
- 2. If it is not feasible for a dealer, *distributor*, *manufacturer*, general serviceman or specialty serviceman to exercise direct supervision over the main office, it must be managed by a corporate officer, partner or responsible managing employee.

#### **SEC 10** NAC 489.310 is hereby amended to read as follows:

## NAC 489.310 Determination of experience, financial responsibility and general knowledge of applicant; required documentation; incomplete application. (NRS 489.231, 489.321)

- 1. The Division may require an applicant for a license as a dealer, *distributor*, manufacturer, general serviceman [to] or specialty serviceman to show such a degree of experience, financial responsibility and such general knowledge of this chapter, chapter 489 of NRS, federal construction and safety standards relating to manufactured homes, the safety, health, finance and lien laws of this State and the rudimentary principles of the business for which the applicant wishes to obtain a license as the Division deems necessary for the safety and protection of the public.
- 2. An applicant may demonstrate his experience and knowledge by submitting to the Division:
- (a) *Verifiable* evidence of his/her prior employment with a minimum of 2 years experience within the past five years, or other related experience in the occupation for which the applicant wishes to obtain a license; or
- (b) Proof that he has completed not less than 30 semester hours in courses of study which are approved by the Division.
  - 3. An applicant must submit to the Division:
- (a) A copy of the federal income tax return filed by the applicant for the preceding calendar year; and
- (b) Such other proof as the Division deems necessary to show the applicant's financial responsibility.
- 4. If the applicant is a corporation, its financial responsibility must be established independently of the assets of its officers, directors or stockholders, but the Division may inquire into and consider the personal assets of the officers, directors or stockholders in determining the financial responsibility of the corporation.

- 5. An applicant shall be deemed to be financially responsible if the Division determines that the applicant has, at the time the Division makes the determination, sufficient assets or income to operate his business for not less than 120 days.
  - 6. The Division will determine financial responsibility according to the following criteria:
  - (a) Net worth:
  - (b) Liquid assets;
  - (c) Payment and credit records;
  - (d) Business experience;
  - (e) Prior and current liens:
  - (f) Prior and pending lawsuits;
  - (g) Adverse judgments;
- (h) Prior suspension or revocation of a license in this State or elsewhere for financial insolvency;
  - (i)Any adjudication under bankruptcy law, including a composition, arrangement or reorganization;
  - (j) Any appointment of a receiver for the property of the applicant or licensee or any officer, director, associate or partner thereof under the laws of this State or of the United States;
  - (k) Any making of a prohibited assignment for the benefit of creditors;
  - (1) Form of business organization;
  - (m) Information obtained from confidential financial references and credit reports; and
  - (n) Reputation for honesty and integrity of the applicant or licensee or any officer, director, associate or partner.
- 7. An applicant for a new manufactured home *dealer's*, [or] commercial coach dealer's *or distributor's* license must show proof that the applicant has not less than \$50,000 in cash on deposit in a Nevada financial institution before the Division will issue a license.
- 8. An applicant for a used manufactured home *dealer's*, [or] commercial coach dealer's, *or distributor's* license must show proof that the applicant has not less than \$25,000 in cash on deposit in a Nevada financial institution before the Division will issue a license.
- 9. An applicant for a new manufactured home dealer's license *or distributor's license* must submit a letter of intent from a financial institution showing that the applicant will be granted a specified amount of credit of not less than \$200,000 from that institution for the flooring of manufactured homes or commercial coaches.
- 10. An applicant for an initial license must submit to the Division a copy of any similar license issued by another state.
- 11. A partnership or corporation that applies for a dealer's, *distributors, manufacturers*, and general serviceman's or specialty serviceman's license must file a certified or verified copy of its partnership agreement or articles of incorporation with the Division.
  - 12. If an applicant submits an incomplete application:
  - (a) The Division will notify the applicant of the deficiencies in the application.
- (b) Except as otherwise provided in paragraph (c), the Division will deny the application unless the applicant corrects the deficiencies within 15 days after receiving the notice.
- (c) The Division may grant an extension of time to correct the deficiencies in the application if the applicant requests such an extension in writing within the 15-day period.

#### **SEC 11** NAC 489.311 is hereby amended to read as follows:

**NAC 489.311 Specialty servicemen.** (NRS 489.231, 489.325) An applicant for a specialty serviceman's license pursuant to NRS 489.325 must submit to the Division:

- 1. An application on a form provided by the Division; and
- 2. Proof that he holds a license issued by the State Contractors' Board which indicates proficiency in the category of license for which he is applying to the Division; *or*
- 3. Any specialty category of licensure which is not offered by any other state agency, the Division may require proof that the applicant has the necessary experience in the field for which he is applying.

#### **SEC 12** NAC 489.314 is hereby amended to read as follows:

NAC 489.314 License as general serviceman or specialty serviceman required for owner or responsible managing employee of certain businesses. (NRS 489.231, 489.311, 489.325, 489.341) An owner or responsible managing employee of a business must be licensed as a general serviceman or specialty serviceman if the business:

- 1. Installs a manufactured home, mobile home or commercial coach; or
- 2. Performs work on a manufactured home, mobile home or commercial coach in one or more of the following categories:
  - (a) Installation or repair of:
    - [(1) Awnings, roofing or skirting:]
    - (1) Roofing;
    - (2) Skirting or Awning;
    - (2) (3) Plumbing;
    - [(3)] (4) Heating or air-conditioning systems; or
    - (4) (5) Electrical systems;
  - (b) Preparation for transport;
  - (c) Minor nonstructural aesthetic repairs;

[(c)] (d) Reconstruction, [by] alteration, addition or substitution, of substantial or essential parts;

[(d)] (e) Any other category of work that may be performed by a person who holds a license issued by the State Contractors' Board.

#### **SEC 13** NAC 489.347 is hereby amended to read as follows:

NAC 489.347 Renewal of license for dealer, *distributor*, general serviceman or specialty serviceman. (NRS 489.231, 489.321) An applicant for the renewal of the dealer's, *distributor's*, general serviceman's or specialty serviceman's license issued to him by the Division pursuant to chapter 489 of NRS must submit to the Division with his application for renewal:

- 1. The fee required pursuant to NAC 489.360;
- 2. The bank statements for:
- (a) The operating account of the licensee for the immediately preceding 6 months; and
- (b) The trust account of the licensee for the immediately preceding 6 months if the licensee is a dealer;
- 3. A copy of the business license issued for the licensee's business by the county, city or town in which the licensee's business is located; and
  - 4. Any other proof requested in writing by the Division pursuant to NRS 489.321 or 489.323.

#### **SEC 14** NAC 489.360 is hereby amended to read as follows:

## NAC 489.360 Issuance and renewal of license; late renewal; investigating and hearing complaints. (NRS 489.231, 489.481)

| 1. The following fees for the issuance and renewal of a license will be charged:   |            |
|--|------------|
| (a) Biennially, for a license as a dealer  | \$600      |
| For each additional officer or partner   | 150        |
| Biennially, for each branch office   | 150        |
| (b) Biennially, for a license as a distributor                                     | \$600      |
|  |            |
| For each additional officer or partner   | <i>150</i> |
| Biennially, for each branch office   | 150        |
| (c)Biennially, or a license as a limited dealer                                    | 200        |
| [c] (d) Biennially, to do business as a manufacturer of manufactured homes, mobile | e          |
| homes, commercial coaches or travel trailers                                       | 750        |
| For each additional officer or partner   | 150        |
| [d] (e) Biennially, for a general serviceman's or specialty serviceman's license   | 200        |
| For each additional officer or partner   |            |
| Biennially, for each branch office   | 150        |
| [e] (f) Biennially, for a license as a salesman of manufactured homes, mobile      |            |
| homes or commercial coaches  | 100        |
| [f] (g) Biennially, for a responsible managing employee's license                  | 150        |
| (h) For each examination of an applicant for a license                             |            |
| (i) For a change of address by a licensee  | 50         |
| [i] (j) For a change of name by a licensee   |            |
| (k) To activate a license from inactive or suspended status                        |            |
|  |            |

- 2. If a licensee fails to apply for the renewal of his license before the license expires, he must pay a fee equal to one and one-half times the fee otherwise required for renewal. If a licensee does not apply for the renewal of his license within 30 days after the license expires, he must retake and pass the applicable oral or written examination and submit the application and all of the fees required for an original license.
- 3. The Division may collect a fee from any licensee who is involved in a complaint from a consumer to recover the costs of investigating and hearing the complaint. The fee will be based upon the rates established in this section.

#### SEC 15 NAC 489.370 is hereby amended to read as follows:

NAC 489.370 Additional fees for original application for license. (NRS 489.231, 489.481) In addition to the fees for a license required by the provisions of NAC 489.360, the Division will charge the following fees for processing an original application for a license:

| 1. As a dealer   | \$400        |
|--|--------------|
| For each additional officer or partner                                       | 100          |
| For each branch office   |              |
| 2. As a distributor  | <b>\$400</b> |
| For each additional officer or partner                                       | 100          |
|  | •••••        |
| For each branch office   | . <i>100</i> |
| [2] 3. As a limited dealer   | \$100        |
| [3] 4. To do business as a manufacturer of manufactured homes, mobile homes, | \$500        |

| commercial coaches or travel trailers                  |       |
|--|-------|
| [4] 5. As a general serviceman or specialty serviceman | \$100 |
| For each additional officer or partner                 | 100   |
| For each branch office                                 | 100   |
| [5] 6. As a salesman                                   | \$25  |
| [6] 7. As a responsible managing employee              | \$100 |

#### SEC 16 NAC 489.320 is hereby amended to read as follows:

#### NAC 489.320 Licensing of employees: Salesmen; generally. (NRS 489.231, 489.341)

- 1. Any person employed by a dealer *or distributor* to act or exercise authority in connection with the dealer's business *or distributor's business* must be licensed as a salesman to:
  - (a) List manufactured homes, mobile homes or commercial coaches for sale.
- (b) Close the sale of a manufactured home, mobile home or commercial coach, including the signing of the sales contract.
  - 2. A licensee may not employ a person who is required to be licensed under chapter 489 of NRS unless that person is so licensed.
- 3. If a manufactured home or commercial coach dealer *or distributor* fails to maintain or renew his license, the licenses of all salesmen whom he employs will be placed on inactive status immediately until the dealer reinstates or renews his license or an application for transferring the salesman's license is made and the required fees are paid.
- 4. If the license of a manufactured home or commercial coach dealer *or distributor* is not renewed, or is suspended or revoked, the licensee shall deliver immediately to the Division all of the licenses issued to his salesmen. In such a case, a salesman may, by applying and paying the required fee, transfer to the employment of another dealer.

#### **SEC 17** NAC 489.325 is hereby amended to read as follows:

#### **NAC 489.325 Responsible managing employees.** (NRS 489.231, 489.341)

- 1. Any person who applies, pursuant to NRS 489.341, for a license to act as a responsible managing employee for a licensed dealer, *distributor*, general serviceman or specialty serviceman must submit his application for a license upon the form supplied by the Division.
- 2. If the application is approved, the Division will issue to the applicant a license containing his name and the address and name of the licensed dealer, *distributor*, general serviceman or specialty serviceman employing him.
- 3. If a licensed dealer, *distributor*, general serviceman or specialty serviceman fails to maintain or renew his license, the licenses of all his responsible managing employees are automatically placed on inactive status until the license of the dealer, *distributor*, general serviceman or specialty serviceman is reinstated or renewed or the responsible managing employee's license is transferred to the employment of another dealer, general serviceman or specialty serviceman.

#### **SEC 18** NAC 489.630 is hereby amended to read as follows:

**NAC 489.630 Criteria for approval of course.** (NRS 489.231, 489.285) The Administrator will consider, without limitation, the following criteria in determining whether to approve a course:

1. Whether the course consists of at least [4] (3) 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,] *distance education*, 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.
  - (d) For a course of distance education, the sponsor of the course:
    - (1) Requires each student to:
- (I) Take a closed-book final examination with a proctor present at a location designated by the sponsor in its application for approval filed with the Division and receive a score of at 75 percent to pass the course;
  - (II) Prove his identity before he is allowed to take any examination;
  - (III) Complete each course within an established minimum and maximum time.
- (2) Gives credit for only the number of hours for which the course has been approved by the Division to a licensee who has completed the course.
  - (3) Publishes a policy for retaking an examination which a licensee failed.
- (4) Maintains for at least 4 years a record of completion of the course which contains the following information with respect to each licensee who has taken the course for credit:
  - (I) The name of the licensee who completes the course and the number of his license.
  - (II) The title and number of the course.
- (III) A statement that the licensee has successfully completed the course which includes, without limitation, the date that the course was completed and the number of hours completed.
- 6. If a course is presented by **[videotape,]** *distance education*, whether the sponsor will provide an instructor approved by the Administrator at the place where the course is offered.
- 7. If the sponsor or instructor of the course is licensed by the Division, whether his license is in good standing, as determined by the Administrator.

#### **SEC 19** NAC 489.775 is hereby amended to read as follows:

NAC 489.775 Limited *lien* resale license: General requirements; change in name or address of mobile home park. (NRS 489.231, 489.336, 489.481)

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, the landlord or manager must obtain a limited *lien* resale license from the Division. The license may be obtained by applying to the Division using a form supplied by the Division. Except as otherwise provided in this section, in addition to completing the application, the applicant must submit with the application:

- (a) A fee of \$50;
- (b) A copy of the 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;
  - (c) An affidavit stating that the applicant:
- (1) Owns or leases the mobile home park, if the applicant is the landlord of the mobile home park; or
- (2) 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 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 20** NAC 489.780 is hereby amended to read as follows:

NAC 489.780 Limited resale [license] *permit*: Issuance; validity; termination of employment of manager. (NRS 489.231, 489.336)

- 1. Upon receipt of an application *for a limited lien resale permit, which includes the documents pursuant to paragraph 2 of this section*, [for a limited resale license] and any other information required by the Division, the Division will approve the application and issue to the applicant a limited *lien* resale [license] *permit*, [unless the Division determines that the applicant is not fit to conduct the sale of the used mobile home or manufactured home identified in the application.]
- 2. A limited *lien* resale [license] *permit* issued by the Division is valid only for the purpose of selling the used mobile home or manufactured home identified in the application for the [license] *permit* and for which the applicant submitted *the following*:
  - (a) A copy of the certificate of title or certificate of ownership of the used mobile home or manufactured home, *issued in the name of the park*.
  - (b) A copy of the notice of lien; the notice of sale by auction; or the lien satisfaction form; and
  - (c) Any other information deemed necessary by the Division.
- 3. If a landlord of a mobile home park terminates the employment of a manager of the park who has applied for or holds a limited *lien* resale license, the landlord shall, as soon as practicable, provide written notice of the termination to the Division and the application or license of the manager becomes invalid.

#### **SEC 21** NAC 489.785 is hereby amended to read as follows:

NAC 489.785 Records of sales: Maintenance; contents; availability. (NRS 489.231, 489.336)

- 1. A landlord of a mobile home park shall maintain a permanent record of each sale of a used mobile home or manufactured home located in the mobile home park that is authorized pursuant to a limited *lien* resale *[license] permit*. The record must include:
- (a) A copy of the certificate of title or certificate of ownership of the used mobile home or manufactured home *in the name of the park*;
  - (b) A copy of the purchase agreement;
  - (c) A copy of any financing agreement related to the sale;
- (d) The date on which the landlord received the money from the sale and the name of the person from whom the landlord received the money;
- (e) The date of deposit of the money received from the sale into an account in a financial institution and the dates of any withdrawals of that money from that account; and
  - (f) Any other pertinent information concerning the sale.
- 2. The records maintained pursuant to subsection 1 must be made available at reasonable times for audit or inspection by the Administrator or his agent.

#### SEC 22 NAC 489.790 is hereby amended to read as follows:

NAC 489.790 Form of purchase contract; statutory liens; [implied warranty.] (NRS 489.231, 489.336)

- 1. A *limit lien resale* licensee shall use the form of purchase contract prescribed by the Division [pursuant to NRS 489.7152] for the sale of a used mobile home or manufactured home *as identified on the permit*. [by the licensee.]
  - 2. The sale of a used mobile home or manufactured home by a *limited lien resale* licensee must comply with the provisions of NRS 108.265 to 108.360, inclusive.
- [ 3. A landlord of a mobile home park is subject to the provisions of NRS 489.751 for each sale of a used mobile home or manufactured home by a licensee.]