STUDY OF THE PROBLEMS OF OWNERS OF MOBILE HOMES WHO RENT SPACE IN MOBILE HOME PARKS



Bulletin No. 91-5

LEGISLATIVE COMMISSION

OF THE

LEGISLATIVE COUNSEL BUREAU

STATE OF NEVADA

SEPTEMBER 1990

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TABLE OF CONTENTS

			Page
1989 L	egis	Concurrent Resolution No. 57 Of The slative Session (File No. 181, Statutes 1989, page 2359)	iii
Letter	Of	Transmittal	
Summar	y Of	Recommendations	vii
Legisla Subcom Of Mob	atur mitt ile	The 66th Session Of The Nevada ce By The Legislative Commission's cee To Study The Problems Of Owners Homes Who Rent Space In Mobile Home	1
I.	Intr	coduction	1
II.	Back	ground On Recommendations	2
i	Α.	Increasing The Supply Of Affordable Spaces	3
1	в.	Aiding Mobile Home Owners Affected By Park Closures	4
(c.	The Enforcement Of The Landlord-Tenant Law	6
I	D.	Conformity With The Provisions Of The Fair Housing Act	8
	E.	Other Amendments To The Landlord-Tenant Law	8
III. S	Suga	gested Legislation	11

Assembly Concurrent Resolution No. 57—Assemblymen Myrna Williams, Brookman, Jeffrey, Spinello, Dini, Lambert, McGaughey, Sedway, Regan, Gibbons, Gaston, Thompson, Swain, Spriggs, Garner, Triggs, Wendell Williams and Adler

FILE NUMBER. 181.

ASSEMBLY CONCURRENT RESOLUTION—Directing the Legislative Commission to conduct an interim study of the problems of owners of mobile homes who rent space in mobile home parks.

WHEREAS, The Legislature of the State of Nevada is concerned with the problems of owners of mobile homes who rent space in mobile home parks, especially problems related to the scarcity of spaces in mobile home parks at reasonable rents; and

WHEREAS, This scarcity primarily affects young families and senior citizens who generally cannot afford other housing; and

WHEREAS, The Legislature believes that a study of the particular problems of owners of mobile homes who rent space in mobile home parks is needed; now, therefore, be it

RESOLVED BY THE ASSEMBLY OF THE STATE OF NEVADA, THE SENATE CON-CURRING, That the Legislative Commission is hereby directed to conduct an interim study on the problems of owners of mobile homes who rent space in mobile home parks; and be it further

RESOLVED, That the study include evaluation of such issues as:

- 1. Providing incentives for owners of mobile home parks to accept older mobile homes in their parks;
- 2. Developing solutions to the problems encountered by owners of mobile homes with tenancy in mobile home parks who are evicted from mobile home parks and cannot comply with current codes when they attempt to move into other parks because they own older mobile homes;
- 3. The feasibility and desirability of developing state-owned, low-income parks for those who cannot afford other housing; and
- 4. Creating incentives for local governments and private industries to develop mobile home parks that provide spaces at reasonable rents; and be it further

RESOLVED, That the Legislative Commission submit a report of its findings and any recommendations for appropriate legislation to the 66th session of the Legislature.

REPORT OF THE LEGISLATIVE COMMISSION

TO THE MEMBERS OF THE 66TH SESSION OF THE NEVADA LEGISLATURE:

This report is submitted in compliance with Assembly Concurrent Resolution No. 57 of the 65th session of the Nevada Legislature which directed the Legislative Commission to study the problems of owners of mobile homes who rent space in mobile home parks.

The members of the subcommittee appointed by the Legislative Commission to conduct the study were:

Assemblyman Joan A. Lambert, Chairman Senator Raymond C. Shaffer, Vice Chairman Senator Bob Coffin Assemblyman Robert W. Fay Assemblyman Gene T. Porter

Legislative Counsel Bureau staff services for the subcommittee were provided by Paul T. Mouritsen of the Research Division (principal staff), Tom Linden of the Legal Division (legal counsel), and Sondra Amodei of the Research Division (subcommittee secretary).

In this report, the subcommittee has attempted to present its recommendations in a concise form. All supporting documents and minutes are on file with the Research Library of the Legislative Counsel Bureau and are available for review.

This report is transmitted to the members of the 66th session of the Nevada Legislature for their consideration and appropriate action.

Respectfully submitted,

Legislative Commission Legislative Counsel Bureau State of Nevada

Carson City, Nevada September 1990

LEGISLATIVE COMMISSION

Assemblyman John E. Jeffrey, Chairman Assemblyman Robert M. Sader, Vice Chairman

Senator Charles W. Joerg
Senator William R. O'Donnell
Senator Raymond C. Shaffer
Senator Randolph J. Townsend
Senator John M. Vergiels

Assemblyman Louis W. Bergevin
Assemblyman James W. McGaughey
Assemblyman Danny L. Thompson

SUMMARY OF RECOMMENDATIONS

The Legislative Commission's Subcommittee to Study the Problems of Owners of Mobile Homes Who Rent Space in Mobile Home Parks recommends that the 66th session of the Nevada Legislature:

- Adopt a resolution urging local governments to revise zoning restrictions and building codes to encourage the development of affordable mobile home parks for persons of low income. (BDR R-100)
- 2. Adopt a resolution urging the United States Congress to restore the commercial category for tax-exempt, smallissue industrial development bonds to encourage the development of mobile home parks. (BDR R-101)
- 3. Enact legislation increasing from 20 to 50 miles the maximum distance for which a landlord must pay the cost of moving a mobile home from a park which is to be closed, sold as individual lots or converted to another use. (BDR 10-90)
- 4. Enact legislation requiring a tenant of a mobile home park to secure the approval of his landlord before beginning construction of any improvement or addition to his mobile home which requires a building permit to be issued by a local government. (BDR 10-90)
- 5. Enact legislation allowing tenants of a mobile home park to purchase the park under certain circumstances. (BDR 10-102)
- 6. Enact legislation requiring managers and assistant managers of mobile home parks with 25 or more lots to complete an annual program of continuing education. (BDR 10-91)
- 7. Enact legislation requiring landlords to provide each tenant with a copy of any provisions of Chapter 118B of Nevada Revised Statutes which are added, amended or repealed within 90 days after the date on which the change becomes effective. (BDR 10-90)
- 8. Enact legislation authorizing the administrator of the Manufactured Housing Division in Nevada's Department of Commerce to impose fines for violations of laws concerning mobile home parks. (BDR 10-117)

- 9. Enact legislation requiring that mobile home park owners pay a \$3 annual fee on each lot within their parks rather than on each occupied lot. (BDR 10-90)
- 10. Enact legislation requiring the administrator of the Manufactured Housing Division, or his representatives, to furnish identification upon request during an investigation. (BDR 10-90)
- 11. Amend the provisions of Chapter 118B of NRS regarding the restriction of mobile home parks to tenants of certain ages to conform with amendments to the Fair Housing Act enacted by the U. S. Congress in 1988. (BDR 10-90)
- 12. Amend Chapter 118B of NRS to provide that rent increases must apply in a uniform manner to all homes of the same size or to all lots of the same size.
 (BDR 10-90)
- 13. Enact legislation stating that a security deposit may not be held for more than 5 years and must bear interest at a rate of 5 percent per year. (BDR 10-90)
- 14. Enact legislation providing that if a landlord approves the placement of a mobile home on a lot in a park and it is determined after the home is placed on the lot that its placement does not conform to the terms of local ordinances relating to that placement, the landlord shall pay the cost to ensure compliance with those requirements. (BDR 10-90)
- 15. Enact legislation defining the circumstances under which a mobile home may be deemed to be abandoned. (BDR 10-90)
- 16. Enact legislation requiring that a rental agreement for a mobile home lot include the dimensions of the lot. (BDR 10-90)

REPORT TO THE 66TH SESSION OF THE NEVADA LEGISLATURE BY THE LEGISLATIVE COMMISSION'S SUBCOMMITTEE TO STUDY THE PROBLEMS OF OWNERS OF MOBILE HOMES WHO RENT SPACE IN MOBILE HOME PARKS

I. INTRODUCTION

Mobile home parks are an important component of the housing supply for Nevada's growing population. In May 1990, Nevada had 26,497 occupied mobile home spaces, located in 448 mobile home parks. These spaces provide their residents, many of whom are elderly individuals living on moderate incomes, with the convenience and independence of homeownership, often at a cost far less than that of comparable "stick-built" housing.

The Nevada Legislature first became involved in the regulation of mobile home parks in 1975 with the passage of Assembly Bill 308 (Chapter 491, Statutes of Nevada 1975, pages 783-785). This first mobile home park landlord-tenant law was relatively short and simple. It dealt with basic concerns such as the termination of rental agreements and leases, the enforcement of park rules and the sale of mobile homes located in parks.

Over the decade and a half that have elapsed since Nevada's first mobile home park law, the Legislature has enacted almost 30 significant measures dealing with this subject. Taken as a whole, these enactments have created a substantial body of law detailing the rights and responsibilities of both landlords and tenants. During the same time period, the Legislature also created a state agency, the Manufactured Housing Division in the Department of Commerce, and charged it with the responsibility of regulating mobile home parks and enforcing the provisions of the landlord-tenant law.

The last important legislative study of mobile home parks in Nevada was undertaken in 1979 as a result of the passage of Assembly Concurrent Resolution No. 3 (File Number 121, Statutes of Nevada 1979, page 2016). The results of the study were reported in Legislative Counsel Bureau Bulletin No. 81-9 titled "Problems Of Owners And Renters Of Mobile Homes." That report resulted in a major revision of the landlord-tenant law.

In recent years, there has been a growing concern about the diminishing availability of mobile home park spaces for reasonable rents. The 1979 study estimated that there were 550 mobile home parks in Nevada, almost 100 more than there are today. Thus, although the state's population has doubled, the number of rental spaces has declined. Other

problems have resulted from the increased size of the mobile homes. These larger homes are more difficult and expensive to move, making it impractical for many tenants to seek more reasonable rents or better services and amenities. A related concern has been the obsolescence of the older homes located in some Nevada parks. These homes do not meet current code requirements and are not accepted in newer parks.

In response to these concerns, the 1989 Legislature passed Assembly Concurrent Resolution No. 57 (File No. 181, Statutes of Nevada 1989, page 2359). This resolution directed the Legislative Commission to conduct a study of the problems of owners of mobile homes who rent space in mobile home parks. The resolution mentioned four issues which should receive particular attention. These issues were:

- Providing incentives for owners of mobile home parks to accept older mobile homes in their parks;
- 2. Developing solutions to the problems encountered by owners of mobile homes who are evicted from a mobile home park and whose homes do not meet current codes and cannot be moved into other parks;
- 3. The feasibility and desirability of developing stateowned, low-income parks for those who cannot afford other housing; and
- 4. Creating incentives for local governments and private industries to develop mobile home parks that provide spaces at reasonable rents.

The subcommittee appointed to conduct this study held four meetings: two in Las Vegas, one in Reno and one in Carson City, Nevada. At these meetings, testimony was taken from tenants in mobile home parks, owners of mobile home parks, state and local government officials, and representatives of profit and nonprofit organizations involved in issues related to mobile home parks.

II. BACKGROUND ON RECOMMENDATIONS

During the hearings held by the subcommittee, many recommendations were made for improving the mobile home park landlord-tenant law, providing affordable mobile home park spaces and protecting the interests of tenants and landlords. After careful consideration, 16 recommendations, embodied in five bills, were recommended by the subcommittee

for the consideration of the 1991 Legislature. The background for each of these recommendations is summarized on the following pages.

A. INCREASING THE SUPPLY OF AFFORDABLE SPACES

Many of the problems faced by owners of mobile homes arise from a growing scarcity of rental spaces in desirable locations at reasonable rates. During the course of its deliberations, the subcommittee explored the possibility that local zoning and land use regulations may be, in part, responsible for this problem. Mobile home park owners testified that the purchase price of the land is the principal cost involved in developing new parks. They contend that density limitations imposed by some local governments make it economically unfeasible to build new parks in those jurisdictions.

Representatives of the planning and zoning departments for each of the local governments in the Clark County metropolitan area were invited to appear before the panel, discuss how their zoning ordinances and building codes affect mobile home parks and respond to questions. witnesses argued that zoning restrictions are not the primary obstacle to mobile home park development. principal cause, in their view, is increasing land costs. Developers are reluctant to build mobile home parks on land which can be more profitably developed for single or multifamily housing. Mobile home parks are being built mostly in areas which are unsuitable for housing built on the site, such as areas with a high water table. In many cases, even though mobile home park developments are approved by the local governments, they are not ultimately built because of economic factors.

Nevertheless, the subcommittee believes that all local governments in Nevada should examine their zoning ordinances and building codes which affect mobile home parks and eliminate provisions which may unnecessarily hinder this type of development. Therefore, the panel recommends that the Nevada Legislature:

Adopt a resolution urging local governments to revise zoning restrictions and building codes to encourage the development of affordable mobile home parks for persons of low income. (BDR R-100)

Another significant obstacle to the development of mobile home parks to accommodate mobile home owners of modest means, whether by state or local governments or by private industry, is the high cost of financing such developments.

With the passage of the Federal Tax Reform Act of 1986, the United States Congress abolished the tax-exempt status of industrial revenue bonds used for this purpose, thus eliminating an important source of below-market rate financing. The subcommittee, therefore, recommends that the Nevada Legislature:

Adopt a resolution urging the United States Congress to restore the commercial category for tax-exempt, small-issue industrial development bonds to encourage the development of mobile home parks. (BDR R-101)

B. AIDING MOBILE HOME OWNERS AFFECTED BY PARK CLOSURES

In recent years, an increasing number of mobile home owners have faced problems caused by the closure of the park in which they reside. Currently, Nevada law has a number of provisions to protect the rights of tenants who find themselves in this situation. Under the provisions of Nevada Revised Statutes (NRS) 118B.177, "Obligations of landlord before closure of park: Cost of moving; notice," a landlord must give his tenants at least 180 days' notice before a park is to be closed. This notice is intended to enable a tenant to find a space in another park. landlord is also required to pay the costs of moving the tenant's home to a new location within 20 miles of its present site. This payment includes fees for inspection, any deposits required to reconnect the home to utilities and the costs for taking down, setting up and leveling the home in its new location.

The subcommittee determined that, due to the growing size of the state's major metropolitan areas, the 20-mile limit is no longer appropriate. The subcommittee also found that the majority of the costs involved in moving a mobile home can be attributed to the work involved in preparing it to be transported and installing it on its new site. An increase in the distance within which the home must be moved would impose only a modest additional burden upon the landlord. The subcommittee, therefore, recommends that the Nevada Legislature:

Enact legislation increasing from 20 to 50 miles the maximum distance for which a landlord must pay the cost of moving a mobile home from a park which is to be closed, sold as individual lots or converted to another use. (BDR 10-90)

Park closures place a special burden upon owners of older mobile homes. In many cases, these homes were built before current building, electrical and plumbing codes were in

effect. They are also substantially smaller than mobile homes being sold today. Therefore, many new mobile home parks will not accept them. In other cases, the homes have been modified in such a way that they cannot be safely moved at a reasonable cost. Owners of these homes are often elderly individuals with modest incomes. They frequently have few housing alternatives open to them. The subcommittee heard extensive testimony on this problem and discussed a number of possible solutions. The panel determined that action must be taken to prevent unauthorized modifications of mobile homes which will prevent them from being moved. Therefore, it recommends that the Nevada Legislature:

Enact legislation requiring a tenant of a mobile home park to secure the approval of his landlord before beginning construction of any improvement or addition to his mobile home which requires a building permit to be issued by a local government. (BDR 10-90)

In many cases, the most appropriate solution to the problems caused by park closures may be to convert the park to tenant ownership. The subcommittee heard testimony from representatives of nonprofit organizations which have arranged tenant buyouts of mobile home parks. They indicated that tenant ownership is often a practical alternative to park closure.

Presently, Nevada law allows tenants in a park to organize an association to purchase a park. The association may require the landlord to provide it with written notice before he lists the park for sale (NRS 118B.173, "Notice of listing of park for sale; entitlement to notice"). The subcommittee is of the opinion that additional legislation is required to facilitate this type of transaction. It, therefore, recommends that the Nevada Legislature:

Enact legislation allowing tenants of a mobile home park to purchase the park under certain circumstances. (BDR 10-102)

Under the provisions of the bill draft request (BDR) recommended by the subcommittee, the tenants of a mobile home park would have the option of organizing a tenants' association to purchase the park. The association would have to include at least 75 percent of the tenants and be incorporated under Nevada law. After receiving its certificate of incorporation, the tenants' association would notify the landlord in writing. If the landlord subsequently decided to offer the park for sale, he would be required to notify the association. If the association, within 45 days, agreed

to the landlord's price, terms and conditions, the landlord would be required to sell the park to the association. If an agreement was not reached during that time, and the landlord later offered the park for sale at a lower price, he would be required to inform the association. The association would have 10 days in which to decide whether to purchase the park at the new price. If the landlord received an unsolicited offer to purchase the park, the association would have 10 days in which to agree to purchase the park on the same terms.

C. THE ENFORCEMENT OF THE LANDLORD-TENANT LAW

During the subcommmittee's hearings, witnesses mentioned numerous problems occurring in mobile home parks. In most instances, the problems involve situations which are presently covered by the provisions of Nevada's mobile home park landlord-tenant law (Chapter 118B of Nevada Revised Statutes titled "Landlord And Tenant: Mobile Home Parks"). The subcommittee is of the opinion that most of the problems encountered by owners of mobile homes who rent space in mobile home parks could be resolved by compliance with the provisions of this law.

In most cases, the problems mentioned appear to arise from a lack of understanding of the law by either park managers or tenants, or both. To ensure that park managers are familiar with the landlord-tenant law, the subcommittee recommends that the Nevada Legislature:

Enact legislation requiring managers and assistant managers of mobile home parks with 25 or more lots to complete an annual program of continuing education. (BDR 10-91)

The BDR approved by the subcommittee would require that managers and assistant managers annually complete a 6-hour course relating to the management of a mobile home park. The administrator of the Manufactured Housing Division would approve the courses and instructors. Managers and assistant managers of mobile home parks would be required to complete the initial course by October 1, 1993. The administrator would be allowed to impose a fine of up to \$500 against any owner of a mobile home park employing a manager or assistant manager who had not completed the course.

The subcommittee is of the opinion that it is equally important for tenants to be aware of their rights and responsibilities under the law. Currently, landlords are required to furnish tenants with a copy of the mobile home park

landlord-tenant law at the time they sign their leases or rental agreements. Landlords are also required to post a copy of the law in the common area of each park. This posted copy must be corrected to reflect any changes in the law within 90 days of the time they become effective. The subcommittee proposes that the Nevada Legislature:

Enact legislation requiring landlords to provide each tenant with a copy of any provisions of Chapter 118B of Nevada Revised Statutes which are added, amended or repealed within 90 days after the date on which the change becomes effective. (BDR 10-90)

The subcommittee also is of the opinion that the enforcement powers of the Manufactured Housing Division should be strengthened. Therefore, it recommends that the Nevada Legislature:

Enact legislation authorizing the administrator of the Manufactured Housing Division in Nevada's Department of Commerce to impose fines for violations of laws concerning mobile home parks. (BDR 10-117)

The BDR proposed by the subcommittee would authorize the administrator of the division to impose fines of up to \$1,000 for violations of the provisions of Chapter 118B of NRS.

At the present time, the Manufactured Housing Division collects an annual fee of \$3 per occupied lot. This fee is intended to cover the costs of enforcing the landlord-tenant law. Unfortunately, the proceeds have been inadequate. According to the administrator of the division, it has been necessary in recent years to transfer money from other funds to meet these costs. The subcommittee considered various options for increasing the revenues available to the division to ensure that the landlord-tenant law is adequately enforced. It recommends that the Nevada Legislature:

Enact legislation requiring that mobile home park owners pay a \$3 annual fee on each lot within their parks rather than on each occupied lot. (BDR 10-90)

In addition, to ensure that the rights of both landlords and tenants are respected during the course of investigations into alleged violations of the mobile home park landlord-tenant law, the subcommittee recommends that the Nevada Legislature:

Enact legislation requiring the administrator of the Manufactured Housing Division, or his representatives, to furnish identification upon request during an investigation. (BDR 10-90)

D. CONFORMITY WITH THE PROVISIONS OF THE FAIR HOUSING ACT

In 1988, the U. S. Congress amended the federal Fair Housing Act to prohibit discrimination against families with children. Under the provisions of the new law, landfords could restrict occupancy of their parks to senior citizens only if: (a) all of the residents of the park are age 62 years or older; or (b) 80 percent of the households in the park have at least one member over age 55 years and the park provides special facilities for older persons.

Currently, Nevada law allows landlords to restrict occupancy of their parks to only adults. These restrictions have been superseded by the federal law and can no longer be enforced. The subcommmittee recommends that the Nevada Legislature:

Amend the provisions of Chapter 118B of NRS regarding the restriction of mobile home parks to tenants of certain ages to conform with amendments to the Fair Housing Act enacted by the U. S. Congress in 1988. (BDR 10-90)

E. OTHER AMENDMENTS TO THE LANDLORD-TENANT LAW

Currently, NRS 118B.150, titled "Prohibited practices by landlord: Rent and additional charges; meetings; utility services; guests; dues for associations of members; public officers or candidates," requires that all rent increases be equal in amount for each space in a mobile home park. A 1989 decision by the district court in Clark County, Nevada, found this provision to be unconstitutional on the grounds that it fails to consider that "* * increases in rent must bear some relationship to the size and location of the subject parcel (Cosco, et al. v. Villa Borega Mobile Home Parks, et al., Case No. A 264006)." The subcommittee recommends that the Nevada Legislature:

Amend Chapter 118B of NRS to provide that rent increases must apply in a uniform manner to all homes of the same size or to all lots of the same size. (BDR 10-90)

Security deposits made by tenants on mobile home park lots are often substantial, sometimes amounting to several hundred dollars. These deposits are intended to protect the landlord in case the tenant fails to pay his rent or damages property of the landlord. It is a hardship for many

tenants, particularly those who are elderly and do not expect to move from the park, to entirely lose the use of their money. The subcommittee is of the opinion that after an owner of a mobile home has lived in a park long enough to demonstrate that he is a reliable and responsible tenant, the security deposit should be returned with interest. It, therefore, recommends that the Nevada Legislature:

Enact legislation stating that a security deposit may not be held for more than 5 years and must bear interest at a rate of 5 percent per year. (BDR 10-90)

During the course of the subcommittee's deliberations, a number of ambiguities were noted in the provisions of Chapter 118B of NRS. The subcommittee recommends that three provisions should be added to this chapter to eliminate grounds for disputes between landlords and tenants. The subcommittee recommends that the Nevada Legislature:

Enact legislation providing that if a landlord approves the placement of a mobile home on a lot in a park and it is determined after the home is placed on the lot that its placement does not conform to the terms of local ordinances relating to that placement, the landlord shall pay the cost to ensure compliance with those requirements; (BDR 10-90)

Enact legislation defining the circumstances under which a mobile home may be deemed to be abandoned; (BDR 10-90) and

Enact legislation requiring that a rental agreement for a mobile home lot include the dimensions of the lot. (BDR 10-90)

III. SUGGESTED LEGISLATION

			Page
BDR	10-90	Makes various changes relating to mobile home parks	13
BDR	10-91	Requires continuing education of managers and assistant managers of certain mobile home parks	33
BDR	R-100	Urges local governments to revise zoning restrictions and building codes to encourage development of affordable mobile home parks for persons of low income	39
BDR	R-101	Urges Congress to restore com- mercial category for tax-exempt small-issue industrial develop- ment bonds	41
BDR	10-102	Allows tenants of mobile home park option to purchase park under certain circumstances	43
BDR	10-117	Authorizes administrator of manufactured housing division of department of commerce to impose fines for violations of laws concerning mobile home	49
		parks	49

SUMMARY--Makes various changes relating to mobile home parks.

(BDR 10-90)

FISCAL NOTE:

Effect on Local Government: No.

Effect on the State or on Industrial Insurance: No.

AN ACT relating to mobile home parks; revising the provisions governing the restriction of mobile home parks to certain tenants; revising the provisions requiring the dissemination of certain information by landlords to tenants; requiring a landlord to pay interest on certain deposits; requiring the administrator of the manufactured housing division of the department of commerce or his representative to furnish identification upon request during an investigation; revising certain other provisions governing landlords of mobile home parks; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 118B of NRS is hereby amended by adding thereto the provisions set forth as sections 2, 3 and 4 of this act.

Sec. 2. "Manager" means the person in charge or in control of a mobile home park, whether or not he is the owner or employed by the owner. The term

includes any company chosen by the landlord to administer or supervise the affairs of the mobile home park.

- Sec. 3. A tenant shall secure the approval of his landlord before beginning construction of any improvement or addition to his mobile home or lot which requires a building permit issued by a local government.
- Sec. 4. If a landlord approves the placement of a mobile home on a lot in a park and it is determined after the home is placed on the lot that the placement of the home does not conform to the requirements of the local ordinances relating to that placement, the landlord shall pay the cost to ensure compliance with those requirements.
 - Sec. 5. NRS 118B.010 is hereby amended to read as follows:

118B.010 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 118B.011 to 118B.0195, inclusive, and section 2 of this act, have the meanings ascribed to them in those sections.

- Sec. 6. NRS 118B.026 is hereby amended to read as follows:
- 118B.026 1. The administrator may, upon receiving a complaint alleging a violation of this chapter or any regulation adopted pursuant thereto, investigate the alleged violation. The administrator or his representative shall, upon request, furnish identification during an investigation.
- 2. [Whenever] If the administrator finds a violation of the provisions of this chapter or of any regulation adopted pursuant thereto, he may issue a notice of violation to the person who he alleges has violated the provision. The notice of violation must set forth the violation which the administrator alleges with

particularity and specify the corrective action which is to be taken and the time within which the action must be taken.

- 3. If the person to whom a notice of violation is directed fails to take the corrective action required, the administrator may:
 - (a) Extend the time for corrective action;
- (b) Request the district attorney of the county in which the violation is alleged to have occurred to prepare a complaint and procure the issuance of a summons to the person for the violation; or
- (c) Apply to the district court for the judicial district in which the violation is alleged to have occurred for an injunction and any other relief which the court may grant to compel compliance. In an action brought under this section, the court may award costs and reasonable attorney's fees to the prevailing party.
- 4. Any person who violates a provision of this chapter, or a regulation adopted pursuant thereto, shall pay for the cost incurred by the division in enforcing the provision.
 - Sec. 7. NRS 118B.040 is hereby amended to read as follows:
- 118B.040 1. A written rental agreement may be executed between a landlord and tenant to rent or lease any mobile home lot. The landlord shall give the tenant a copy of the agreement, if any, at the time the tenant signs it.
- 2. Any such written rental agreement must contain but is not limited to provisions relating to the following subjects:
 - (a) The duration of the agreement.

- (b) The amount of rent, the manner and time of its payment and the amount of any charges for late payment and dishonored checks.
 - (c) Restrictions on occupancy by children or pets.
- (d) Services and utilities included with the rental of a lot and the responsibility of maintaining or paying for them, including the charge, if any, for cleaning the lots.
- (e) Fees which may be required and the purposes for which they are required.
 - (f) Deposits which may be required and the conditions for their refund.
- (g) Maintenance which the tenant is required to perform and any appurtenances he is required to provide.
- (h) The name and address of the owner of the mobile home park and his authorized agent.
 - (i) Any restrictions on subletting.
- (j) The number of and charges for persons who are to occupy a mobile home or recreational vehicle on the lot and their ages.
- (k) Any recreational facilities and other amenities provided to the tenant and any deposits or fees required for their use.
 - (1) Any restriction of [all or part of the park to adults or older persons.
- (m) A marking or designation] the park to older persons pursuant to federal law.
- (m) The dimensions of the mobile home lot [sufficient to inform the tenant of its boundaries.] of the tenant.

Sec. 8. NRS 118B.050 is hereby amended to read as follows:

118B.050 Any provision in a rental agreement or lease for a mobile home lot which provides that the tenant:

- 1. Agrees to waive or forego any rights or remedies afforded by this chapter;
- 2. Authorizes any person to confess judgment on any claim arising out of the rental agreement;
- 3. Agrees to pay the landlord's attorney's fees [,] or costs, or both, except that the agreement may provide that attorney's fees may be awarded to the prevailing party in the event of court action;
- 4. Agrees to the exculpation or limitation of any liability of the landlord arising under law or to indemnify the landlord for that liability or costs connected therewith, if the liability is based upon an act or omission of the landlord or any agent or employee of the landlord;
- 5. Agrees to a period [of time] within which he will give notice to the landlord of the termination of his tenancy which is longer than the term of the lease; or
- 6. Agrees to pay any additional charge for children or pets, unless the landlord provides a special service regarding children or pets,
- is void. A tenant may recover his actual damages resulting from the enforcement of such a provision.
 - Sec. 9. NRS 118B.060 is hereby amended to read as follows:

- 118B.060 1. Any payment, deposit, fee, or other charge which is required by the landlord in addition to periodic rent, utility charges or service fees and is collected as prepaid rent or a sum to compensate for any tenant default is a "deposit" governed by the provisions of this section.
 - 2. The landlord shall maintain a separate record of the deposits.
 - 3. Except as otherwise provided in subsection 4:
- (a) All deposits are refundable, and upon termination of the tenancy, or if the deposit is collected as a sum to compensate for a tenant default, not more than 5 years after the landlord receives the deposit, the landlord may claim from a deposit only such amounts as are reasonably necessary to remedy tenant defaults in the payment of rent, utility charges or service fees and to repair damage to the park caused by the tenant. The landlord shall provide the tenant with an itemized written accounting of the disposition of the deposit.
- (b) Any refund must be sent to the tenant within 21 days after the tenancy is terminated.
- 4. Each deposit collected as a sum to compensate for a tenant default must be refunded to the tenant not more than 5 years after the landlord receives the deposit or upon the termination of the tenancy, whichever is earlier. The refund must include interest at the rate of 5 percent per year, compounded annually, for the entire period during which the deposit was held by the landlord.
- 5. Upon termination of the landlord's interest in the mobile home park, the landlord shall [either] transfer to his successor in interest that portion of the

deposit remaining after making any deductions allowed [under] pursuant to this section or refund that portion to the tenant.

- [5.] 6. If the former landlord fails to transfer that portion of the deposit remaining to the successor in interest or refund it to the tenant at the time the successor in interest takes possession, the successor [then] becomes jointly and severally liable with the former landlord for refunding to the tenant that portion of the deposit to which he is entitled.
- [6.] 7. If the former landlord fails to transfer or refund the deposit, the tenant may not be required to pay another deposit until the successor in interest refunds the deposit to the tenant or provides him with an itemized written accounting of the statutorily authorized disposition of the deposit.
- [7.] 8. The claim of the tenant to any deposit to which he is entitled by law takes precedence over the claim of any creditor of the landlord.
 - Sec. 10. NRS 118B.070 is hereby amended to read as follows:
 - 118B.070 The landlord shall [:
 - 1. Provide each provide:
- 1. Each new tenant with a current text of the provisions of this chapter with the rental agreement at the time the tenant signs the agreement.
- 2. [Post a copy of the provisions of this chapter and the address and telephone number of the manufactured housing division of the department of commerce in a conspicuous place in the park's community or recreation facility or other common area.

3. Correct the posted copy of the provisions of this chapter and those he provides to a new tenant with the rental agreement each time new provisions are added or existing provisions are subsequently amended or repealed, within 90 days after the amendments become effective.] Each tenant with a copy of each provision of this chapter which is added, amended or repealed within 90 days after the provisions become effective.

Sec. 11. NRS 118B.085 is hereby amended to read as follows:

118B.085 1. If the [owner of a mobile home park] landlord has employed a manager or assistant manager, [the owner] he shall notify the [manufactured housing division of the department of commerce] division of the name of the manager and assistant manager of his park. After the initial notification, the [owner] landlord shall also send such a notice within 45 days after:

- (a) Buying the park;
- (b) Opening the park for occupancy; or
- (c) Changing managers or assistant managers.
- 2. Upon receiving the notice required by subsection 1, the administrator [of the manufactured housing division] shall send the manager and the assistant manager the text of the provisions of this chapter and a form upon which the manager and assistant manager shall acknowledge that they have received those provisions [,] and have read [them and understand] them. The manager and the assistant manager shall return the acknowledged form to the administrator within 10 days after receiving it.

- [3. For the purposes of this section, "manager" means the person in charge or in control of a mobile home park, whether or not he is the owner or employed by the owner. The term includes any company chosen by the landlord to administer or supervise the affairs of the mobile home park.]
 - Sec. 12. NRS 118B.100 is hereby amended to read as follows:
- 118B.100 1. The landlord may adopt rules or regulations concerning the tenant's use and occupancy of the mobile home lot and the grounds, areas and facilities of the mobile home park held out for the use of tenants generally.
 - 2. All such rules or regulations must be:
 - (a) Reasonably related to the purpose for which they are adopted;
- (b) Sufficiently explicit in their prohibition, direction or limitation to inform the tenant of what he must do or not do for compliance;
- (c) Adopted in good faith and not for the purpose of evading any obligation of the landlord arising under the law;
- (d) Consistent with the provisions of this chapter and a general plan of operation, construction or improvement, and must not arbitrarily restrict conduct or require any capital improvement by the tenant which is not specified in the rental agreement or unreasonably require a change in any capital improvement made by the tenant and previously approved by the landlord unless the landlord can show that it is in the best interest of the other tenants; and

- (e) Uniformly enforced against all tenants in the park, including the managers. Any rule or regulation which is not so uniformly enforced may not be enforced against any tenant.
- 3. No rule or regulation may be used to impose any additional charge for occupancy of a mobile home lot or modify the terms of a rental agreement.
- 4. Except as otherwise provided in subsection 5, a rule or regulation is enforceable against the tenant only if he has notice of it at the time he enters into the rental agreement. A rule or regulation adopted or amended after the tenant enters into the rental agreement is not enforceable unless the tenant consents to it in writing or is given 60 days' notice of it in writing. A notice in a periodic publication of the park does not meet the requirement for notice under this subsection.
- 5. A rule or regulation pertaining to recreational facilities in the mobile home park must be in writing to be enforceable.
- 6. [For the purposes of] As used in this section, "capital improvement" means an addition or betterment made to a mobile home [park] located on a lot in a mobile home park which is leased by the landlord that:
 - (a) Consists of more than the repair or replacement of an existing facility;
- (b) Is required by federal law to be amortized over its useful life for the purposes of income tax; and
 - (c) Has a useful life of 5 years or more.
 - Sec. 13. NRS 118B.120 is hereby amended to read as follows:
 - 118B.120 1. The landlord or his agent or employee may:

- (a) Require that the tenant landscape and maintain the tenant's lot if the landlord advises the tenant in writing of reasonable requirements for the landscaping.
- (b) By prior written agreement, maintain the tenant's lot and charge the tenant a service fee for the actual cost of that maintenance.
- (c) Require that the mobile home be removed from the park if it is unoccupied for more than 90 consecutive days and the tenant or dealer is not making good faith and diligent efforts to sell it.
- 2. The landlord shall maintain, in the manner required for the other tenants, any lot on which is located a mobile home within the park which has been repossessed, abandoned or held for rent or taxes. The landlord is entitled to reimbursement for the cost of that maintenance from the repossessor or lien holder or from the proceeds of any sale for taxes, as the case may be.
- 3. For the purposes of this section, a mobile home shall be deemed to be abandoned if:
- (a) It is located on a lot in a mobile home park for which no rent has been paid for at least 60 days;
 - (b) It is unoccupied; and
- (c) The manager of the mobile home park reasonably believes it to be abandoned.
 - Sec. 14. NRS 118B.130 is hereby amended to read as follows:

- 118B.130 1. A landlord may [restrict all or part of a mobile home park to adult tenants who are at least 18 years old or to older tenants who are at least 55 years old, but:
 - (a) The landlord may not change an not change:
- (a) An existing park to [an adult park or] a park for older persons pursuant to federal law unless the tenants who do not meet those restrictions and may lawfully be evicted are [given the option of remaining in the park or moving] moved to other parks [within 20 miles] at the expense of the landlord [.
- (b) The landlord may not change an existing park to a park in which certain areas are restricted to adults or older persons unless the tenants who do not meet the restrictions are given the option of remaining in their spaces or moving to unrestricted areas of the park or to parks within 20 miles at the expense of the landlord.
 - (c) The landlord may not change the]; or
- (b) The restriction of a park [or an area of a park which is restricted to adults or] for older persons pursuant to federal law unless the tenants [who meet the restriction] are given the option of remaining in their spaces or moving to other parks [within 20 miles] at the expense of the landlord.
- 2. A tenant who elects to move pursuant to a provision of subsection 1 must give the landlord notice in writing of his election to move within 75 days after receiving notice of the change in restrictions in the park. [He is entitled to receive the cost of taking down, moving and setting up his mobile home in

the new lot or park.] If a landlord is required to move a tenant to another park pursuant to subsection 1, he shall pay:

- (a) The cost of moving the tenant's mobile home and its appurtenances to a new location within 50 miles from the mobile home park; or
- (b) If the new location is more than 50 miles from the mobile home park, the cost of moving the mobile home for the first 50 miles,

including fees for inspection, any deposits for connecting utilities and the cost of taking down, moving, setting up and leveling his mobile home and its appurtenances in the new lot or park.

- 3. A landlord of a park in which restrictions have been or are being changed shall give written notice of the change to each:
 - (a) Tenant of the park who does not meet the new restrictions.
 - (b) Prospective tenant before the commencement of the tenancy.
 - Sec. 15. NRS 118B.150 is hereby amended to read as follows:
 - 118B.150 The landlord or his agent or employee shall not:
 - 1. Increase rent or additional charges unless:
- (a) The rental increase [is the same amount for each space in the park,] applies in a uniform manner to mobile homes or lots of the same size, except that a discount may be selectively given to persons who are handicapped or who are 62 years of age or older, and any increase in additional charges for special services is the same amount for each tenant using the special service; and

- (b) Written notice advising a tenant of the increase is received by the tenant 90 days in advance of the first payment to be increased and written notice of the increase is given to prospective tenants before commencement of their tenancy.
 - 2. Require a tenant to pay his rent by check.
- 3. Prohibit or require fees or deposits for any meetings held in the park's community or recreational facility by the tenants or occupants of any mobile home or recreational vehicle in the park to discuss the park's affairs, or any political or social meeting sponsored by a tenant, if the meetings are held at reasonable hours and when the facility is not otherwise in use, or prohibit the distribution of notices of such meetings.
- 4. Interrupt, with the intent to terminate occupancy, any utility service furnished the tenant except for nonpayment of utility charges when due. Any landlord who violates this subsection is liable to the tenant for actual damages.
- 5. Prohibit a tenant from having guests, but he may require the tenant to register the guest within 48 hours after his arrival, Sundays and holidays excluded, and if the park is a secured park, a guest may be required to register upon entering and leaving.
- 6. Charge a fee for a guest who does not stay with the tenant for more than a total of 60 days in a calendar year. The tenant of a mobile home lot who is living alone may allow one other person to live in his home without paying any additional charge or fee. No agreement between a tenant and his guest

alters or varies the terms of the rental contract between the tenant and the landlord and the guest is subject to the rules and regulations of the landlord.

- 7. Prohibit any tenant from soliciting membership in any association which is formed by the tenants who live in the park. [For purposes of] As used in this subsection, "solicit" means to make an oral or written request for membership or the payment of dues or to distribute, circulate or post a notice for payment of [such] those dues.
- 8. Prohibit a public officer or candidate for public office from walking through the park to talk with the tenants.
 - Sec. 16. NRS 118B.170 is hereby amended to read as follows:
- 118B.170 1. The landlord may require approval of a prospective buyer and tenant before the sale of a tenant's mobile home or recreational vehicle, if the mobile home or vehicle will remain in the park. The landlord shall not unreasonably withhold his consent.
- 2. If a tenant sells his mobile home or recreational vehicle, the landlord may require that the mobile home or recreational vehicle be removed from the park if it is deemed by the park's written rules or regulations in the possession of the tenants to be in a run-down condition or in disrepair or does not meet the safety standards set forth in NRS 461A.120. If the mobile home must be inspected to determine compliance with the standards, the person requesting the inspection shall pay for it.
- 3. If the landlord requires approval of a prospective buyer and tenant, he shall post and maintain a sign which is clearly readable at the entrance to the

park which advises the reader that before a mobile home in the park is sold, the [parties to the sale must first confer with the manager.] prospective buyer must be approved by the landlord.

- Sec. 17. NRS 118B.177 is hereby amended to read as follows:
- 118B.177 1. If a landlord closes a mobile home park he shall pay [the]:
- (a) The cost of moving each tenant's mobile home and its appurtenances to a new location within [20] 50 miles from the mobile home park [,]; or
- (b) If the new location is more than 50 miles from the mobile home park, the cost of moving the mobile home for the first 50 miles,

including fees for inspection, any deposits for connecting utilities and the cost of taking down, moving, setting up and leveling the mobile home and its appurtenances in the new lot or park.

- 2. Written notice of the closure must be served on each tenant in the manner provided in NRS 40.280, giving the tenant at least 180 days after the date of the notice before he is required to move his mobile home from the lot.
 - Sec. 18. NRS 118B.180 is hereby amended to read as follows:
- 118B.180 1. A landlord may convert an existing mobile home park into individual mobile home lots for sale to mobile home owners if the change is approved by the appropriate local zoning board, planning commission or governing body, and:
- (a) The landlord gives notice in writing to each tenant within 5 days after he files his application for the change in land use with the local zoning board, planning commission or governing body;

- (b) The landlord offers to sell the lot to the tenant at the same price the lot will be offered to the public and holds that offer open for at least 75 days before he offers the lot for sale to the public;
- (c) The landlord does not sell an occupied lot for more than a vacant lot of similar location, size and shape;
 - (d) The landlord pays [the]:
- (1) The cost of moving the tenant's mobile home and its appurtenances to a comparable location within [20] 50 miles from the mobile home park [,]; or
- (2) If the new location is more than 50 miles from the mobile home park, the cost of moving the mobile home for the first 50 miles, including fees for inspection, any deposits for connecting utilities and the cost of taking down, moving, setting up and leveling his mobile home and its appurtenances in the new lot or park; and
- (e) After the landlord is granted final approval of the change by the appropriate local zoning board, planning commission or governing body, notice in writing is served on each tenant in the manner provided in NRS 40.280, giving the tenant at least 180 days after the date of the notice, before he is required to move his mobile home from the lot.
- 2. Upon the sale of a mobile home lot and a mobile home which is situated on that lot, the landlord shall indicate what portion of the purchase price is for the mobile home lot and what portion is for the mobile home.
 - Sec. 19. NRS 118B.183 is hereby amended to read as follows:

- 118B.183 1. A landlord may convert an existing mobile home park to any other use of the land if the change is approved by the appropriate local zoning board, planning commission or governing body, and:
- (a) The landlord gives notice in writing to each tenant within 5 days after he files his application for the change in land use with the local zoning board, planning commission or governing body;
 - (b) The landlord pays [the]:
- (1) The cost of moving the tenant's mobile home and its appurtenances to a new location within [20] 50 miles from the mobile home park [,]; or
- (2) If the new location is more than 50 miles from the mobile home park, the cost of moving the mobile home for the first 50 miles, including fees for inspection, any deposits for connecting utilities and the cost of taking down, moving, setting up and leveling his mobile home and its appurtenances in the new lot or park; and
- (c) After the landlord is granted final approval of the change by the appropriate local zoning board, planning commission or governing body, written notice is served on each tenant in the manner provided in NRS 40.280, giving the tenant at least 180 days after the date of the notice before he is required to move his mobile home from the lot.
- 2. A landlord shall not increase the rent of any tenant for 180 days before applying for a change in land use, permit or variance affecting the mobile home park.
 - Sec. 20. NRS 118B.185 is hereby amended to read as follows:

- 118B.185 1. Each owner of a mobile home park shall pay to the division an annual fee established by the administrator which must not exceed \$3 for each lot [occupied] within that park.
- 2. If an owner fails to pay the fee within 30 days after receiving written notice of its amount, a penalty of 50 percent of the amount of the fee must be added. The owner is not entitled to any reimbursement of this penalty from his tenants.
- 3. All fees collected by the division pursuant to subsection 1 must be deposited in the state treasury for credit to the account for regulating mobile home parks within the fund for manufactured housing created pursuant to NRS 489.491. All expenses related to the regulation of mobile home parks must be paid from the account. The account must not be used for any other purpose. Claims against the account must be paid as other claims against the state are paid.

SUMMARY--Requires continuing education of managers and assistant managers of certain mobile home parks. (BDR 10-91)

FISCAL NOTE:

Effect on Local Government: No.

Effect on the State or on Industrial Insurance: No.

AN ACT relating to mobile home parks; requiring the managers and assistant managers of certain mobile home parks to complete annually continuing education relating to the management of mobile home parks; requiring the administrator of the manufactured housing division of the department of commerce to approve the courses of instruction and the instructors of those courses; authorizing the administrator to impose fines against landlords of certain mobile home parks who employ managers or assistant managers who have not completed a course of continuing education; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 118B of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 5, inclusive, of this act.

- Sec. 2. 1. Each manager and assistant manager of a mobile home park which has 25 or more lots shall complete annually 6 hours of continuing education relating to the management of a mobile home park.
- 2. The administrator shall adopt regulations specifying the areas of instruction for the continuing education required by subsection 1.
- 3. The instruction must include, but is not limited to, information relating to:
 - (a) The provisions of chapter 118B of NRS;
 - (b) Leases and rental agreements;
- (c) Unlawful detainer and eviction as set forth in NRS 40.215 to 40.425, inclusive:
- (d) The resolution of complaints and disputes concerning landlords and tenants of mobile home parks; and
- (e) The adoption and enforcement of the rules and regulations of a mobile home park.
- 4. Each course of instruction and the instructor of the course must be approved by the administrator. The administrator shall adopt regulations setting forth the procedure for applying for approval of an instructor and course of instruction. The administrator may require submission of such reasonable information by an applicant as he deems necessary to determine the suitability of the instructor and the course. The administrator shall not approve a course if the fee charged for the course is not reasonable. Upon approval, the

administrator shall designate the number of hours of credit allowable for the course.

- Sec. 3. 1. There are hereby created two regions to provide courses of continuing education pursuant to section 1 of this act. One region is the northern region consisting of the counties of Washoe, Storey, Douglas, Lyon, Churchill, Pershing, Humboldt, Lander, Elko, Eureka, Mineral, White Pine and Carson City, and one region is the southern region consisting of the counties of Lincoln, Nye, Esmeralda and Clark.
- 2. The person who applied for approval of a course or his designee shall notify the administrator of the date and location each time the course is offered, as soon as practicable after scheduling the course.
- 3. The administrator shall ensure that a course of continuing education is offered at least every 6 months in each region. If the administrator finds that no approved course will be offered to meet the requirements of this subsection, he shall offer the course and charge a reasonable fee for each person enrolled in the course.
- 4. If the fees collected by the administrator for the course do not cover the cost of offering the course, the administrator shall determine the difference between the fees collected and the cost of offering the course, divide that amount by the number of mobile home parks which have 25 lots or more in the region in which the course was held and assess that amount to each landlord of such a mobile home park. The landlord shall pay the assessment within 30 days after it was mailed by the administrator.

- Sec. 4. 1. Each instructor of a course shall furnish to each person who completes the course required by section 1 of this act a certificate of completion. The certificate must include:
 - (a) The name and address of the participant;
 - (b) The name of the instructor of the course;
- (c) The name of the landlord of the mobile home park who employs the participant and the address of the park, if the participant is employed as a manager or assistant manager of a mobile home park on the date of completion of the course;
 - (d) The number of hours of instruction completed; and
 - (e) The date the course was completed.
- 2. Each instructor shall furnish to the administrator the information included in each certificate of completion he issues within 30 days after the course is completed.
- Sec. 5. 1. The administrator may impose a fine of not more than \$500 against a landlord of a mobile home park who employs a manager or assistant manager who has not completed the course of continuing education required by section 1 of this act.
- 2. The administrator shall, before imposing the fine, notify the landlord of the mobile home park by certified mail that he will impose the fine unless the landlord, within 30 days after the notice is mailed, shows cause why the fine should not be imposed.

- 3. If the administrator imposes the fine, he shall notify the landlord of the mobile home park by certified mail.
- 4. The imposition of a fine pursuant to this section is a final decision for the purposes of judicial review.
- Sec. 6. Each manager and assistant manager of a mobile home park who is required to complete the course described in section 1 of this act must complete the initial course of continuing education required by section 1 of this act not later than October 1, 1993.
 - Sec. 7. Section 5 of this act becomes effective on October 1, 1993.

SUMMARY--Urges local governments to revise zoning restrictions and building codes to encourage development of affordable mobile home parks for persons of low income. (BDR R-100)

CONCURRENT RESOLUTION--Urging local governments to revise zoning restrictions and building codes to encourage the development of affordable mobile home parks for persons of low income.

WHEREAS, Federal assistance for housing for persons of low income has been drastically reduced since 1980; and

WHEREAS, The number of persons of low income who need affordable housing in this state increases each year; and

WHEREAS, Many of those people are retired and have limited resources available for housing; and

WHEREAS, Mobile home parks offer an affordable alternative to other types of housing; and

WHEREAS, Certain requirements of local ordinances and building codes concerning the size of lots, setbacks and landscaping of mobile home parks increase the cost of construction and discourage the development of affordable mobile home parks for persons of low income; now, therefore, be it

RESOLVED BY THE OF THE STATE OF NEVADA, THE

CONCURRING, That the legislature urges local governments of this state to revise their zoning ordinances and building codes to encourage the

development of more affordable mobile home parks for persons of low income; and be it further

RESOLVED, That copies of this resolution be prepared and transmitted forthwith by the of the to the governing bodies of all cities and counties and any other local governments that have the authority to adopt zoning ordinances or building codes in the state.

SUMMARY--Urges Congress to restore commercial category for tax-exempt small-issue industrial development bonds. (BDR R-101)

FISCAL NOTE:

Effect on Local Government: No.

Effect on the State or on Industrial Insurance: No.

JOINT RESOLUTION--Urging Congress to restore commercial category for tax-exempt small-issue industrial development bonds to encourage the development of mobile home parks.

WHEREAS, Approximately 100,000 families in this state need affordable housing; and

WHEREAS, Mobile home parks offer an affordable alternative to other forms of housing; and

WHEREAS, The Tax Reform Act of 1986 (26 U.S.C. §§ 1 et seq.) eliminated the commercial category for tax-exempt small-issue industrial development bonds which were used to finance the development of mobile home parks; and

WHEREAS. The elimination of this commercial category has made the development of most mobile home parks, including parks for persons of low income, economically unfeasible; now, therefore, be it

RESOLVED BY THE AND OF THE STATE OF NEVADA, JOINTLY, That the legislature urges Congress to restore the

commercial category for tax-exempt small-issue industrial development bonds to encourage the development of mobile home parks, including parks for persons of low income; and be it further

RESOLVED, That copies of this resolution be prepared and transmitted forthwith by the of the to the Vice President of the United States as presiding officer of the Senate, the Speaker of the House of Representatives and each member of the Nevada Congressional Delegation; and be it further

RESOLVED, That this resolution becomes effective upon passage and approval.

SUMMARY--Allows tenants of mobile home park option to purchase park under certain circumstances. (BDR 10-102)

FISCAL NOTE:

Effect on Local Government: No.

Effect on the State or on Industrial Insurance: No.

AN ACT relating to mobile home parks; allowing the tenants of a mobile home park an option to purchase the park under certain circumstances; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- Section 1. Chapter 118B of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 6, inclusive, of this act.
- Sec. 2. 1. If an association of tenants which received notice pursuant to NRS 118B.173 agrees to the price, terms and conditions for the sale of the mobile home park or part thereof and executes a contract with the landlord to purchase the property within 45 days after the notice is mailed to the association, the landlord shall sell the property to the association.
- 2. If a contract is not executed within the period prescribed in subsection 1 and the landlord of the park offers the park or part thereof for sale at a price which is less than the price stated in his notice to the association, he shall notify

the association by certified mail of the lower price. If, within 10 days after the notice is mailed to the association, it agrees to the price, terms and conditions for the sale of the property and executes a contract with the landlord to purchase the property, the landlord shall sell the property to the association.

- 3. If a landlord of a park receives an unsolicited offer to purchase the park or part thereof and intends to consider the offer or make a counteroffer thereto. he shall notify the association by certified mail within 5 days after he receives the offer. The notice must include the price, terms and conditions for the sale of the property. If, within 10 days after the notice is mailed to the association, it agrees to the price, terms and conditions of sale and executes a contract with the landlord to purchase the property, the landlord shall sell the property to the association.
- 4. Unless a longer period is specified in the contract for the sale of the mobile home park, escrow must close not later than 90 days after the contract is executed.
 - 5. The provisions of this section do not apply to:
- (a) A sale or transfer of a mobile home park or part thereof to a person who is included within the provisions relating to descent and distribution set forth in chapter 134 of NRS if the landlord of a park dies intestate.
- (b) A transfer of a mobile home park or part thereof by gift, devise or operation of law.
 - (c) A transfer of a mobile home park or part thereof by a corporation to:
 - (1) A shareholder of the transferring corporation;

- (2) A corporation or entity owned or controlled, directly or indirectly, by the transferring corporation; or
- (3) Any other corporation or entity owned or controlled, directly or indirectly, by any shareholder of the transferring corporation.
 - (d) A transfer of a mobile home park by a partnership to any of its partners.
- (e) A conveyance of an interest in a mobile home park incidental to the financing of that mobile home park.
- (f) A conveyance resulting from the foreclosure of a mortgage, deed of trust or other instrument encumbering a mobile home park or part thereof or any deed given in lieu of that foreclosure.
- (g) A sale or transfer of a mobile home park or part thereof between or among joint tenants or tenants in common owning a park.
- (h) An exchange of a mobile home park or part thereof for other real property, whether or not the exchange also includes the payment of cash or other consideration.
- (i) The purchase of a mobile home park or part thereof by a governmental entity pursuant to its power of eminent domain.
- Sec. 3. 1. To exercise the rights set forth in section 2 of this act, an association of tenants must:
- (a) Have at least 75 percent of the owners of mobile homes in the mobile home park agree to become members of the association; and
- (b) Be incorporated pursuant to chapter 78 of NRS or NRS 81.010 to 81.160, inclusive, 81.170 to 81.280, inclusive, or 81.410 to 81.540, inclusive.

- 2. The association may not include as a member any person who is not an owner of a mobile home located in the park.
- Sec. 4. After the association receives its certificate of incorporation, it shall notify the landlord of the mobile home park in writing of the incorporation and furnish the landlord with the names and addresses of the officers of the association by certified mail or personal delivery upon the landlord's representative. The association shall notify the landlord or his representative by certified mail of any change of the names and addresses of its officers.
- Sec. 5. 1. Each meeting of the board of directors of an association must be open to all members of the association.
- 2. A notice of each meeting must be mailed to each member and posted in a conspicuous place in the mobile home park at least 21 days before the meeting.
- 3. Notice of any meeting in which assessments against members will be considered must contain a statement that assessments will be considered and the amount of those proposed assessments.
- 4. Assessments of the members of the association must be made at least quarterly. The amount of the assessment must be sufficient to pay the anticipated current operating expenses of the association and any unpaid operating expenses previously incurred by the association.
- Sec. 6. 1. A meeting of the members of an association must be held at least once each year.
- 2. A notice of each meeting must be mailed to each member and posted in a conspicuous place in the mobile home park at least 21 days before the meeting.

- 3. The minutes of each neeting must be kept for at least 7 years and be available for inspection by the members of the association or their authorized representatives at reasonable times.
 - Sec. 7. NRS 118B.173 is hereby amended to read as follows:
- 118B.173 1. Any landlord who [lists] offers a mobile home park or any part of a mobile home park for sale [with a licensed real estate broker] shall, not less than 10 days nor more than 30 days before [listing] offering the park for sale, [mail] send by certified mail a written notice of [that listing to any] the offering to an association of tenants of the park [that requested] if the association is incorporated pursuant to chapter 78 of NRS or NRS 81.010 to 81.160, inclusive, 81.170 to 81.280, inclusive, or 81.410 to 81.540, inclusive, and it requests the notice. [A landlord is not required to provide notice of a listing for sale that is not initiated by the owner of the park or his authorized agent.
- 2. In order to] The notice must include the price, terms and conditions for the sale of the mobile home park or part thereof.
- 2. To receive the notice required by subsection 1, an association of tenants of a mobile home park shall:
 - (a) Submit to the landlord a written request for that notice;
- (b) Furnish the landlord with a written list of the names and addresses of [three members] the officers of the association; and
- (c) Give written notice to the landlord that the tenants of the park are interested in buying the park and renew that notice at least once each year after the initial notice.

SUMMARY--Authorizes administrator of manufactured housing division of department of commerce to impose fines for violations of laws concerning mobile home parks. (BDR 10-117)

FISCAL NOTE:

Effect on Local Government: No.

Effect on the State or on Industrial Insurance: No.

AN ACT relating to mobile home parks; authorizing the administrator of the manufactured housing division of the department of commerce to impose fines for violations of laws concerning mobile home parks; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- Section 1. Chapter 118B of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. The administrator may impose a fine of not more than \$1,000 against any person who violates any of the provisions of this chapter.
- 2. The administrator shall, before imposing the fine, notify the person by certified mail that he will impose a fine for the violation unless the person requests a hearing within 20 days after the notice is mailed.

- 3. If a hearing is requested, the administrator shall hold a hearing pursuant to the provisions of NRS 233B.121 to 233B.150, inclusive.
- 4. If a hearing is not requested within the prescribed period and the matter is not otherwise resolved, the administrator shall impose the fine and notify the person by certified mail.
- 5. The decision of the administrator to impose a fine pursuant to this section is a final decision for the purposes of judicial review.
 - Sec. 2. NRS 118B.026 is hereby amended to read as follows:
- 118B.026 1. The administrator may, upon receiving a complaint alleging a violation of this chapter or any regulation adopted pursuant thereto, investigate the alleged violation.
- 2. [Whenever] If the administrator finds a violation of the provisions of this chapter or of any regulation adopted pursuant thereto, he may issue a notice of violation to the person who he alleges has violated the provision. The notice of violation must set forth the violation which the administrator alleges with particularity and specify the corrective action which is to be taken and the time within which the action must be taken.
- 3. If the person to whom a notice of violation is directed fails to take the corrective action required, the administrator may:
 - (a) Extend the time for corrective action;
- (b) Request the district attorney of the county in which the violation is alleged to have occurred to prepare a complaint and procure the issuance of a summons to the person for the violation; or

(c) Apply to the district court for the judicial district in which the violation is alleged to have occurred for an injunction and any other relief which the court may grant to compel compliance. In an action brought [under] pursuant to this section, the court may award costs and reasonable attorney's fees to the prevailing party.

The administrator may, in addition to or in lieu of any action authorized by paragraph (a), (b) or (c), impose a fine pursuant to section 1 of this act.

- 4. Any person who violates a provision of this chapter, or a regulation adopted pursuant thereto, shall pay for the cost incurred by the division in enforcing the provision.
 - Sec. 3. NRS 118B.230 is hereby amended to read as follows:

118B.230 If a landlord unlawfully terminates a tenancy, the provisions of NRS 118B.260 and section 1 of this act apply.