

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

LCB File No. R036-03

Effective September 24, 2003

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

AUTHORITY: §§1-6 and 8-11, NRS 489.336; §7, NRS 489.336 and 489.481.

Section 1. Chapter 489 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 11, inclusive, of this regulation.

Sec. 2. *As used in sections 2 to 11, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 3 to 6, inclusive, of this regulation have the meanings ascribed to them in those sections.*

Sec. 3. *“Landlord” has the meaning ascribed to it in NRS 118B.014.*

Sec. 4. *“Licensee” means a landlord or manager of a mobile home park to whom a limited resale license is issued by the Division pursuant to section 8 of this regulation.*

Sec. 5. *“Manager” has the meaning ascribed to it in NRS 118B.0145.*

Sec. 6. *“Mobile home park” has the meaning ascribed to “manufactured home park” in NRS 118B.017.*

Sec. 7. 1. *Before a landlord or manager of a mobile home park may sell a used mobile home or manufactured home described in subsection 2 of NRS 489.336, the landlord or manager must obtain a limited resale license from the Division. Such a 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 \$35;

(b) A recent color photograph of the applicant;

(c) A copy of the business license issued for the mobile home park where the used mobile home or manufactured home to which the limited resale license will apply is located;

(d) Proof that the applicant has complied with any applicable provision of NRS 118B.086 to 118B.089, inclusive, and 489.323;

(e) 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 permission of the landlord to sell the used mobile home or manufactured home, if the applicant is the manager of the mobile home park;

(f) A copy of the certificate of title or certificate of ownership of the used mobile home or manufactured home; and

(g) Any other information that the Division deems necessary.

2. An applicant for a limited resale license must submit to the Division proof that the landlord of the mobile home park where the used mobile home or manufactured home to which the limited resale license will apply is located has obtained a surety bond in the amount of \$5,000 from a surety authorized to do business in this state. The surety bond:

(a) Must be made payable to the State of Nevada;

(b) Must provide for a period for submitting a claim which is 3 years or less;

(c) Must include a provision prohibiting cancellation of the surety bond unless the surety provides written notice to the Division not less than 30 days before the cancellation becomes effective; and

(d) Must be used exclusively for the protection and benefit of a purchaser of a used mobile home or manufactured home who obtains a judgment against the licensee in an action for fraud, misrepresentation or deceit.

3. Except as otherwise provided in subsection 4, an applicant who submits an application for a limited resale license to the Division within 2 years after submitting a previous application for such a license is not required to submit a photograph of himself or a copy of the business license for the manufactured home park where the used mobile home or manufactured home to which the limited resale license will apply is located.

4. If a landlord or manager of a mobile home park has applied for or holds a limited 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. 8. 1. *Upon receipt of an application 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 resale license, 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 resale license 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 and

for which the applicant submitted a copy of the certificate of title or certificate of ownership with the application.

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 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. 9. *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 resale license. The record must include:*

(a) A copy of the certificate of title or certificate of ownership of the used mobile home or manufactured home;

(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. 10. *1. A licensee shall use the form prescribed by the Division pursuant to NAC 489.232 for the sale of a used mobile home or manufactured home by the licensee pursuant to NRS 489.336.*

2. The sale of a used mobile home or manufactured home by a licensee pursuant to NRS 489.336 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.

Sec. 11. *If a used mobile home or manufactured home is sold by a licensee who is not a dealer or rebuilder:*

1. The licensee must satisfy the requirements set forth in NRS 489.521; and

2. The Division will not issue a certificate of ownership of a used mobile home or manufactured home until the county assessor of the county in which the used mobile home or manufactured home is located at the time of sale satisfies the requirements set forth in NRS 489.531.

**NOTICE OF ADOPTION OF PROPOSED REGULATION
LCB File No. R036-03**

The Manufactured Housing Division of the Department of Business and Industry adopted regulations assigned LCB File No. R036-03 which pertain to chapter 489 of the Nevada Administrative Code on September 3, 2003.

Notice date: 7/25/2003
Hearing date: 8/28/2003

Date of adoption by agency: 9/3/2003
Filing date: 9/24/2003

INFORMATIONAL STATEMENT

The following statement is submitted for adopted amendments and additions to Nevada Administrative Code (NAC) 489

1. A description of how public comment was solicited, a summary of public response, and an explanation of how other interested persons may obtain a copy of the summary.

On July 25, 2003, the Division mailed a notice of Workshop to Solicit Comments on Proposed regulations to affected small businesses as required by law and to those individuals or entities requesting notice of proposed regulations. On July 25, 2003, the Division mailed Notice of Intent to Act Upon A Regulation to affected small businesses as required by law and to those individuals or entities requesting notice of proposed regulations.

However, the Division also posted the above-referenced notices for public review and comment at:

Manufactured Housing Division, 2501 E Sahara Avenue, Las Vegas, Nevada 89104;
Manufactured Housing Division, 59 E Winnie Lane, Carson City, Nevada 89706;
State Library, 100 Stewart Street, Carson City, Nevada 89701; Sawyer Building, 555 East Washington Avenue, Las Vegas, Nevada 89101; Bradley Building, 2501 East Sahara Avenue, Las Vegas, Nevada 89104; Legislative Building, 401 South Carson Street, Carson City, Nevada, 89701; Clark County Library, 833 N Las Vegas Blvd, Las Vegas Nevada 89101; Department of Business and Industry, 788 Fairview Drive, Carson City, Nevada 89701.

This notice of hearing has been posted at the additional following locations:

Attn: Barbara Mathews, Director
Churchill County Library
5553 S. Maine Street
Fallon, NV 89406

Attn: Diane Hartsock, Director
Tonopah Public Library
P.O. Box 449
Tonopah, NV 89049
(171 Central Street)

Attn: Darryl Batson, Director
Las Vegas – Clark County Library
833 Las Vegas Blvd. N.
Las Vegas, NV 89101

Attn: Jeanne Munk, Director
Pershing County Library
P.O. Box 781
Lovelock, NV 89419
(1125 Central Avenue)

Attn: Sara Jones, Director
Elko County Library
720 Court Street
Elko, NV 89801

Storey County Library
P.O. Box 14
Virginia City, NV 89440
(95 South R Street)

Esmeralda County Library
P.O. Box 430
(Fourth & Crook Sts.)
Goldfield, NV 89013

Attn: Nancy Cummings, Director
Washoe County Library
P.O. Box 2151
Reno, NV 89505
(301 S. Center)

Attn: Lauri Oki, Director
Eureka Branch Library
P.O. Box 293
Eureka, NV 89316
(10190 Monroe Street)

Attn: Lori Romero, Director
White Pine County Library
950 Campton St.
Ely, NV 89301

Attn: Sherry Allen, Director
Humboldt County Library
85 East 5th St.
Winnemucca, NV 89445

Attn: Lynn Chambliss, Director
Battle Mountain Branch Library (Lander County)
P.O. Box 141
Battle Mountain, NV 89820

Lincoln County Library
93 Main St.
P.O. Box 330
Pioche, NV 89043

Attn: Sally Edwards, Director
Carson City Library
900 N. Roop Street
Carson City, NV 89701

Attn: Christian Freer-Parsons, Director
Lyon County Library
20 Nevin Way
Yerington, NV 89447

Attn: Carolyn Rawles-Heiser, Director
Douglas County Library
P.O. Box 337
Minden, NV 89423
(1625 Library Lane)

Attn: Steve Schlatter, Director
Mineral County Library
P.O. Box 1390
Hawthorne, NV 89415
(First & A Streets)

In addition, a hearing was held on August 28, 2003, wherein members of the public and affected businesses were invited to speak. Only one person attended and he did not wish to

speak. The Administrator placed the single testimony from the earlier workshop into the record of the Hearing.

The oral and written comments centered on the following areas of concern:

- a. Support for the regulation as written by the President of the Nevada Park Owners Association at Workshop and placed in record of Hearing..
- b. Written objection was received re: the requirement to obtain a bond;
- c. Written objection by a park owner to obtain a license because they are owners of the property;
- d. Written objection to the cost of licensing;

A copy of the written comments may be obtained by calling Jerry Holmes, Manufactured Housing Division, (702) 486-4115, or by writing to Mr. Holmes at the Manufactured Housing Division, 2501 East Sahara Avenue, Suite 204, Las Vegas, Nevada 89104.

2. The number of persons who:

a. Attended each hearing: The August 28, 2003 Workshop was attended by 2 people; the August 28, 2003 Public Hearing was attended by 1 person.

b. Testified at each hearing: At the August 28, 2003 Workshop, 1 person testified; at the August 28, 2003 Public Hearing, no one testified.

c. Submitted to the agency written comments: Written comments were received from John Carpenter owner of Cimarron West Mobile Home Park and Nancy Grover Mgr of Hellman's Mobile Home Park.

3. A description of how comment was solicited from affected businesses, a summary of their response, and an explanation of how interested persons may obtain a copy of the summary.

The Division mailed the notices for the workshop held on August 28, 2003, to all licensees and park owners within the State of Nevada as well as persons on the list maintained by the Division interested in receiving a notice of hearings on regulations that affect the Manufactured Housing Division. Said notices requested comments in writing and invited business owners to attend the workshops. The notice for the public hearing scheduled on August 28, 2003, was also mailed to all licensees and park owners within the State of Nevada as well as persons on the list of interested parties and also requested written comment and invited business owners to the public hearing. In addition, the workshop notice and the public hearing notice were posted as specified in #1 above. In addition, if dealers notified the Division that they had an attorney, a copy of the notices was mailed to the attorney. General comments received are listed in section number one of this statement.

A copy of the written comments may be obtained by calling Jerry Holmes, Manufactured Housing Division, (702) 486-4115, or by writing to Mr. Holmes at the Manufactured Housing Division, 2501 East Sahara Avenue, Suite 204, Las Vegas, Nevada 89104.

4. If the regulation was adopted without changing any part of the proposed regulation, a summary for the reasons for adopting the regulation without change.

The Division mailed notices and held a workshop and hearing on November 14, 2002, for a Temporary Regulation. The Temporary Regulation was submitted to the Legislative Counsel Bureau for review. The revised draft of R036-03 was the subject of the permanent workshop/hearing. No changes were made to the LCB draft of R036-03.

5. The estimated economic effect of the adopted regulation on the businesses that it is to regulate and on the public. These must be stated separately, and each case must include:

- a. Both adverse and beneficial effects; and**
- b. Both immediate and long-term effects.**

ADVERSE EFFECTS ON THE PUBLIC: There are no anticipated adverse effects relating to the general public.

ADVERSE EFFECTS ON BUSINESSES: Possible adverse effects on other dealers is the potential loss of sales revenue for handling resales of property acquired by parks in lien sales.

BENEFICIAL EFFECTS ON BUSINESSES AND THE PUBLIC: The beneficial effects on the general public include simplified access to purchase of homes taken in a lien sale. The beneficial effects for mobile home parks include reduced costs of resales by eliminating the need for brokerage fees

6. The estimated cost to the agency for enforcement of the adopted regulation.

There will be no additional costs of enforcing the regulations because staff is currently in place to enforce them.

7. A description of any regulations of other state or government agencies that the proposed regulation overlaps or duplicates, and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.

The regulation does not duplicate, and is not more stringent than existing state or federal laws. The Division does not believe that the regulation is more stringent than local laws.

8. If the regulation includes provisions that are more stringent than a federal regulation that regulates the same activity, a summary of such provisions.

The regulation does not include provisions that are more stringent than a federal regulation that regulates the same activity.

9. If the regulation provides a new fee or increases an existing fee, the total amount the agency expects to collect and the manner in which the money will be used.

This regulation involves a new fee of \$35 for each license for each lien-acquired manufactured home sale. The Division expects no more than approximately 25 licenses per year at \$35 per license for an annual total of \$875 collected to be used to defray cost of processing the licenses.