

**REVISED PROPOSED REGULATION OF THE
MANUFACTURED HOUSING DIVISION OF
THE DEPARTMENT OF BUSINESS AND INDUSTRY**

LCB File No. R178-09

August 8, 2012

(Sections 5, 6, 8, 9, 11, 12, 16 and 17 of the agency draft of
this regulation are located in LCB File No. R177-09)

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

AUTHORITY: §§1 and 2, NRS 461.170; §§3-7, 9 and 15-18, NRS 489.285; §8, NRS 489.231 and 489.431; §§10 and 12, NRS 489.321; §11, NRS 489.231, 489.591 and 489.597; §§13 and 14, NRS 489.481; §19, NRS 461.170, 489.231, 489.261, 489.285 and 489.7152.

A REGULATION relating to manufactured housing; adopting by reference certain codes and standards; amending provisions relating to inspections of manufacturing plants and units of factory-built housing, manufactured buildings or modular components; enacting provisions governing the licensing of distributors of manufactured homes, mobile homes, manufactured buildings, commercial coaches and factory-built housing; providing an exception to the requirement that a manufactured home or mobile home be installed by a licensed person if the installation is performed by an occupant; amending provisions concerning the documentation which must be submitted by applicants for certain licenses; amending provisions concerning continuing education for dealers, responsible managing employees, salespersons, general servicepersons and specialty servicepersons; repealing various provisions concerning the labeling of plumbing fixtures in certain manufactured buildings, the maintenance of certain cash deposits by certain manufacturers, the installation of certain steps and the form for purchase contracts and listing agreements; and providing other matters properly relating thereto.

Section 1. NAC 461.205 is hereby amended to read as follows:

461.205 The Division hereby adopts by reference:

1. The *International Residential Code for One- and Two-Family Dwellings*, ~~[2006]~~ **2012**

edition, published by the International Code Council, with the following modifications:

(a) Any reference to the *International Plumbing Code* shall be deemed a reference to the *Uniform Plumbing Code*, ~~[2006]~~ 2012 edition, published by the International Association of Plumbing and Mechanical Officials;

(b) Any reference to the *International Electrical Code* shall be deemed a reference to the *National Electrical Code*, ~~[2005]~~ 2011 edition ~~[;]~~, *published by the National Fire Protection Association*;

(c) Any reference to the *International Mechanical Code* shall be deemed a reference to the *Uniform Mechanical Code*, ~~[2006]~~ 2012 edition, published by the International Association of Plumbing and Mechanical Officials;

(d) The definition of “manufactured home” set forth in section R202 is deleted and replaced with “has the meaning ascribed to it in NRS 489.113”; and

(e) Appendix E is deleted.

↪ The *International Residential Code for One- and Two-Family Dwellings*, ~~[2006]~~ 2012 edition, may be obtained from the International Code Council by mail at 4051 West Flossmoor Road, Country Club Hills, Illinois 60478-5771, or at the Internet address <http://www.iccsafe.org>. The price is ~~[\$61.00]~~ \$79.50 for members and ~~[\$81.50]~~ \$106 for nonmembers.

2. The *International Building Code*, ~~[2006]~~ 2012 edition, published by the International Code Council with the following modifications:

(a) Any reference to the *International Plumbing Code* shall be deemed a reference to the *Uniform Plumbing Code*, ~~[2006]~~ 2012 edition, published by the International Association of Plumbing and Mechanical Officials;

(b) Any reference to the *International Electrical Code* shall be deemed a reference to the *National Electrical Code*, ~~2005~~ 2011 edition ~~;~~, *published by the National Fire Protection Association*;

(c) Any reference to the *International Mechanical Code* shall be deemed a reference to the *Uniform Mechanical Code*, ~~2006~~ 2012 edition, published by the International Association of Plumbing and Mechanical Officials;

(d) The definition of “manufactured home” set forth in section G201.2 of Appendix G is deleted and replaced with “has the meaning ascribed to it in NRS 489.113”; and

(e) Section G501 of Appendix G is deleted.

↪ The *International Building Code*, ~~2006~~ 2012 edition, may be obtained from the International Code Council by mail at 4051 West Flossmoor Road, Country Club Hills, Illinois 60478-5771, or at the Internet address <http://www.iccsafe.org>. The price is ~~[\$78.75]~~ \$91.50 for members and ~~[\$105.00]~~ \$122.00 for nonmembers.

3. The *Uniform Plumbing Code*, ~~2006~~ 2012 edition, published by the International Association of Plumbing and Mechanical Officials. This code may be obtained from the International Association of Plumbing and Mechanical Officials by mail at 5001 East Philadelphia Street, Ontario, California 91761-2816, or at the Internet address ~~[http://www.iapmo.org.]~~ <http://www.iapmostore.org>. The price is ~~[\$74]~~ \$88.80 for members and ~~[\$93]~~ \$111.00 for nonmembers.

4. The *Uniform Mechanical Code*, ~~2006~~ 2012 edition, published by the International Association of Plumbing and Mechanical Officials. This code may be obtained from the International Association of Plumbing and Mechanical Officials by mail at 5001 East Philadelphia Street, Ontario, California 91761-2816, or at the Internet address

~~<http://www.iapmo.org>~~ <http://www.iapmostore.org>. The price is ~~[\$74]~~ \$88.80 for members and ~~[\$93]~~ \$111.00 for nonmembers.

5. The *National Electrical Code*, ~~[2005]~~ 2011 edition, published by the National Fire Protection Association. This code may be obtained from the National Fire Protection Association by mail at 1 Batterymarch Park, Quincy, Massachusetts 02169-7471, or at the Internet address <http://www.nfpa.org>. The price is ~~[\$67.50]~~ \$80.55 for members and ~~[\$75.00]~~ \$89.50 for nonmembers.

6. The *NFPA 101: Life Safety Code*, ~~[2006]~~ 2012 edition, published by the National Fire Protection Association. This code may be obtained from the National Fire Protection Association by mail at 1 Batterymarch Park, Quincy, Massachusetts 02169-7471, or at the Internet address <http://www.nfpa.org>. The price is ~~[\$67.50]~~ \$80.55 for members and ~~[\$75]~~ \$89.50 for nonmembers.

7. The *International Energy Conservation Code*, ~~[2006]~~ 2012 edition, published by the International Code Council. This code may be obtained from the International Code Council by mail at 4051 West Flossmoor Road, Country Club Hills, Illinois 60478-5771, or at the Internet address <http://www.iccsafe.org>. The price is ~~[\$25.00]~~ \$30 for members and ~~[\$32.50]~~ \$40 for nonmembers.

Sec. 2. NAC 461.300 is hereby amended to read as follows:

461.300 1. The Division ~~[will]~~, *or a government agency or private agency authorized by the Division, may* inspect the plant of each manufacturer who has submitted a plan for the Division's approval.

2. Each unit of factory-built housing, *a* manufactured building or *a* modular component must be inspected at least once during its construction. These inspections will be performed by a

representative of the Division unless the manufacturer contracts to have the inspections performed by:

- (a) A government agency; or
- (b) A private agency,

↳ approved by the Administrator to perform such inspections.

3. If, during an inspection conducted pursuant to this section, the Division, or a government agency or private agency approved by the Administrator, finds, for a manufacturer, an unusually high number of instances in which a unit of factory-built housing, a manufactured building or a modular component does not comply with approved plans or specifications, the Division may order an increased number of inspections to ensure compliance with the approved plan and specifications.

Sec. 3. Chapter 489 of NAC is hereby amended by adding thereto the provisions set forth as sections 4 to 7, inclusive, of this regulation.

Sec. 4. *“Distance education” means instruction that is delivered by video, computer, television, correspondence, the Internet or other electronic means of communication, or any combination thereof, in such a manner that the person supervising or providing the instruction and the student receiving the instruction are separated by distance or by time, or by both distance and time.*

Sec. 5. 1. *A course for dealers, responsible managing employees or salespersons must contain:*

(a) Current information relevant to the business of dealers, responsible managing employees and salespersons which will improve the professional knowledge of the dealer,

responsible managing employee or salesperson and enable the dealer, responsible managing employee or salesperson to give better service to the public.

(b) Information that relates to the provisions of this chapter and chapter 489 of NRS which pertain to dealers, responsible managing employees or salespersons.

2. The Administrator considers courses approved by the Administrator in the following areas to be acceptable for continuing education:

(a) Ethics of selling manufactured homes, mobile homes, manufactured buildings, commercial coaches or factory-built housing;

(b) The preparation of contracts for the purchase, sale, lease or rental of manufactured homes, mobile homes, manufactured buildings, commercial coaches or factory-built housing;

(c) The dealer's report of sale;

(d) The transfer of title to manufactured homes, mobile homes or commercial coaches;

(e) Listing agreements;

(f) The Nevada Fair Housing Law as set forth in chapter 118 of NRS;

(g) The Fair Housing Act of 1968, 42 U.S.C. §§ 3601 et seq.;

(h) Legislative issues which concern the Division or dealers, responsible managing employees or salespersons, including, without limitation, pending and recent legislation;

(i) The administration of laws and regulations pertaining to manufactured homes, mobile homes, manufactured buildings, commercial coaches or factory-built housing, including, without limitation, licensing and enforcement; and

(j) A course approved by the Real Estate Division of the Department, including, without limitation, a course in broker management, the ethics of selling real estate or fair housing.

Sec. 6. 1. *A course for general servicepersons or specialty servicepersons must contain current information relevant to the business of general servicepersons or specialty servicepersons which will improve the professional knowledge of the general serviceperson or specialty serviceperson and enable the general serviceperson or specialty serviceperson to give better service to the public.*

2. The Administrator considers courses approved by the Administrator in the following areas to be acceptable for continuing education:

(a) The most recent adopted version of 24 C.F.R Part 3280, Manufactured Home Construction and Safety Standards;

(b) The Nevada Manufactured Home, Mobile Home and Commercial Coach Installation Standards, as adopted by reference in NAC 489.416; and

(c) The provisions of this chapter and chapter 489 of NRS.

Sec. 7. 1. *A person seeking approval of a distance education course must submit an application for approval of the course pursuant to NAC 489.626 and demonstrate to the satisfaction of the Administrator that the proposed distance education course satisfies the following requirements:*

(a) The course must be designed to ensure that students actively participate in the instructional process by utilizing techniques which require substantial interaction with the instructor, other students or a computer program. If the subject matter of the course is such that the learning objectives for the course cannot be reasonably accomplished without direct interaction between the instructor and the students, the course design must provide for such interaction.

(b) If the course does not provide students with the opportunity for continuous audio and visual communication with the instructor during the presentation of the course, the course must utilize testing and remedial processes appropriate to ensure mastery of the subject matter of the course by the students.

(c) If the course involves self-paced study, the course must be designed so that the time required for a student of average ability to complete the course is within the number of hours for which the course is approved and the sponsor of the course shall utilize a system which ensures that students have actually performed all tasks designed to ensure participation and mastery of the subject matter of the course by the students.

(d) The proposed methods of instruction used in the course must be appropriate to the proposed learning objectives of the course, and the scope and depth of the instructional materials must be consistent with the proposed learning objectives.

(e) The sponsor of the course shall provide appropriate technical support to enable students to complete the course satisfactorily.

(f) An approved instructor must be reasonably available to respond timely to questions asked by students concerning the subject matter of the course and to direct students to additional sources of information. For the purposes of this paragraph, a response by an approved instructor shall be deemed timely if the response is made within 2 business days after the question is submitted.

(g) The sponsor of the course shall provide students with an orientation or information package which contains all information that the Division requires to be provided to students and all necessary information about the course, including, without limitation, information concerning fees and refund policies, subject matter and learning objectives, procedures and

requirements for satisfactory completion, any special requirements with regard to computer hardware and software or other equipment, and instructor and technical support. The sponsor shall make available to students technical support relating to the use of any computer hardware or software, or other equipment or technology needed to complete the course.

(h) The sponsor of the course shall utilize procedures which reasonably ensure that a student who receives credit for completing the course actually performed all the work required to complete the course. If the course involves independent study by students, such procedures must include, without limitation, the opportunity for direct contact by the sponsor with the student at the student's home or business via the telephone or electronic mail and a signed statement by the student certifying that the student personally completed all course work. The sponsor shall retain such signed statements and records of student contact together with all other course records the sponsor must maintain.

2. In addition to the information required pursuant to NAC 489.626, a sponsor seeking approval of a computer-based distance education course must submit to the Administrator a complete copy of the course in the medium to be used and, if requested by the Administrator, must make available, at a date and time satisfactory to the Administrator and at the sponsor's expense, all equipment and software necessary to enable the Administrator to review the course. In the case of an Internet-based course, the sponsor seeking approval of the course must provide the Administrator with access to the course via the Internet at no charge at a date and time satisfactory to the Administrator.

Sec. 8. NAC 489.205 is hereby amended to read as follows:

489.205 1. The Division ~~{will}~~ *may* conduct routine office surveys, audits and inspections to determine whether licensees are complying with the provisions of this chapter and chapter 489 of NRS.

2. All business records and accounts of a licensee are subject to inspection and audit by the Division or its authorized representatives. Upon demand, a licensee shall provide the Division with all business records, accounts and permission necessary to complete an inspection and audit, including that necessary to inspect and audit funds in any bank or depository.

3. When a complaint is made to the Division the scope of the investigation is not limited to the matters set forth in the complaint but may extend to any act which appears to violate the provisions of this chapter, chapter 489 of NRS or federal laws or regulations.

4. If the Division determines that there is not sufficient evidence to make a prima facie case, it may dismiss the matter without prejudice at any stage of the investigation or proceeding.

5. If the Division is satisfied, after an investigation initiated by a complaint or on its own initiative, that there is sufficient evidence to make a prima facie case, the Division may commence a formal proceeding.

Sec. 9. NAC 489.303 is hereby amended to read as follows:

489.303 ~~{1. —A person who wishes to renew or reinstate a general serviceperson’s or specialty serviceperson’s license issued by the Division pursuant to chapter 489 of NRS must provide the Division with proof that he or she has completed the required number of hours of continuing education as set forth in NRS 489.323.~~

~~—2.}~~ The holder of a *dealer’s, responsible managing employee’s, salesperson’s,* general serviceperson’s or specialty serviceperson’s license issued by the Division pursuant to chapter 489 of NRS may submit a written petition to the Administrator for an extension of time in which

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

Sec. 10. NAC 489.310 is hereby amended to read as follows:

489.310 1. The Division may require an applicant for a license as a dealer, *distributor*, manufacturer, general serviceperson or specialty serviceperson to show such a degree of experience, financial responsibility and such general knowledge of this chapter, chapter 489 of NRS, federal construction and safety standards relating to manufactured homes, the safety, health, finance and lien laws of this State and the rudimentary principles of the business for which the applicant wishes to obtain a license as the Division deems necessary for the safety and protection of the public.

2. An applicant may demonstrate his or her experience and knowledge by submitting to the Division:

(a) ~~Evidence of his or her prior employment~~ *Verifiable evidence that the applicant has been employed in the occupation for which the applicant wishes to obtain a license for not less than 2 years within the immediately preceding 5 years* or *that the applicant has* other *related* experience in the occupation for which the applicant wishes to obtain a license; or

(b) Proof that he or she has completed not less than 30 semester hours in courses of study which are approved by the Division.

3. An applicant must submit to the Division:

(a) A copy of the federal income tax return filed by the applicant for the preceding calendar year; and

(b) Such other proof as the Division deems necessary to show the applicant's financial responsibility.

4. If the applicant is a corporation, its financial responsibility must be established independently of the assets of its officers, directors or stockholders, but the Division may inquire into and consider the personal assets of the officers, directors or stockholders in determining the financial responsibility of the corporation.

5. An applicant shall be deemed to be financially responsible if the Division determines that the applicant has, at the time the Division makes the determination, sufficient assets or income to operate his or her business . ~~{for not less than 120 days.}~~

6. The Division ~~{will}~~ *may* determine financial responsibility according to the following criteria:

- (a) Net worth;
- (b) Liquid assets;
- (c) Payment and credit records;
- (d) Business experience;
- (e) Prior and current liens;
- (f) Prior and pending lawsuits;
- (g) Adverse judgments;
- (h) Prior suspension or revocation of a license in this State or elsewhere for financial insolvency;
- (i) Any adjudication under bankruptcy law, including a composition, arrangement or reorganization;

(j) Any appointment of a receiver for the property of the applicant or licensee or any officer, director, associate or partner thereof under the laws of this State or of the United States;

(k) Any making of a prohibited assignment for the benefit of creditors;

(l) Form of business organization;

(m) Information obtained from confidential financial references and credit reports; and

(n) Reputation for honesty and integrity of the applicant or licensee or any officer, director, associate or partner.

~~7. [An applicant for a new manufactured home or commercial coach dealer's license must show proof that the applicant has not less than \$50,000 in cash on deposit in an operating account of the business in a Nevada financial institution before the Division will issue a license.~~

~~—8.— An applicant for a used manufactured home or commercial coach dealer's license must show proof that the applicant has not less than \$25,000 in cash on deposit in an operating account of the business in a Nevada financial institution before the Division will issue a license.~~

~~—9.— An applicant for a new manufactured home dealer's license, including a franchise dealership, must submit a letter of credit from a financial institution or a provider of inventory financing showing that the applicant will be granted a specified amount of credit of not less than \$200,000 from that institution for the flooring of manufactured homes, commercial coaches, manufactured buildings or factory built housing. This requirement does not apply to a dealership owned by a licensed manufacturer.~~

~~—10.]~~ An applicant for an initial license must submit to the Division a copy of any similar license issued by another state.

~~[11.]~~ **8.** A partnership, limited partnership, limited-liability partnership, limited-liability limited partnership or limited-liability company or a corporation, whether or not for profit, that

applies for a dealer's, *distributor's, manufacturer's*, general serviceperson's or specialty serviceperson's license must file a certified or verified copy of its partnership agreement, articles of organization or articles of incorporation with the Division.

~~12.~~ **9.** If an applicant submits an incomplete application:

(a) The Division will notify the applicant of the deficiencies in the application.

(b) Except as otherwise provided in paragraph (c), the Division will deny the application unless the applicant corrects the deficiencies within 15 days after receiving the notice.

(c) The Division may grant an extension of time to correct the deficiencies in the application if the applicant requests such an extension in writing within the 15-day period.

Sec. 11. NAC 489.313 is hereby amended to read as follows:

489.313 An authorized inspection agency shall not issue a certificate of installation or matching label required by NAC 489.405 without verifying that the installation work being inspected was done by ~~an~~:

1. A person licensed pursuant to the provisions of chapter 489 of NRS ~~1~~; or

2. If the certificate or label is for a manufactured home or mobile home, a person who will occupy the manufactured home or mobile home as his or her personal residence.

Sec. 12. NAC 489.347 is hereby amended to read as follows:

489.347 An applicant for the renewal of the dealer's, *distributor's*, general serviceperson's or specialty serviceperson's license issued to him by the Division pursuant to chapter 489 of NRS must submit to the Division with his or her application for renewal:

1. The fee required pursuant to NAC 489.360;

2. ~~Complete~~ *If the licensee is a dealer, complete* copies of ~~bank~~:

(a) *Bank* statements for ~~the~~

~~—(a) The operating account of the licensee for the immediately preceding 6 months; and~~
~~—(b) The~~ *the immediately preceding 6 months for the* trust account ~~[of]~~ *maintained by* the licensee ~~[for the immediately preceding 6 months if the licensee is a dealer;]~~ *pursuant to paragraph (b) of subsection 1 of NRS 489.724; and;*

(b) Documents accounting for all transactions during the immediately preceding 6 months in any escrow account maintained for the licensee pursuant to paragraph (a) of subsection 1 of NRS 789.724, if the dealer has such an account;

3. A copy of the current business license issued for the licensee’s business by the county, city or town in which the licensee’s business is located; and

4. Any other proof requested in writing by the Division pursuant to NRS 489.321 or 489.323.

Sec. 13. NAC 489.360 is hereby amended to read as follows:

489.360 1. The Division will charge the following fees for the issuance and renewal of a license:

(a) Biennially, for a license as a dealer of manufactured homes, mobile homes, commercial coaches, manufactured buildings or factory-built housing	\$600
For each additional officer or partner	150
Biennially, for each branch office	150
(b) <i>Biennially, for a license as a distributor</i>	<i>600</i>
<i>For each additional officer or partner</i>	<i>150</i>
<i>Biennially, for each branch office</i>	<i>150</i>
(c) Biennially, for a license as a limited dealer authorized to act as a repossessor or liquidator.....	200

(e) (d) Biennially, to do business as a manufacturer of manufactured homes, mobile homes, commercial coaches, travel trailers, manufactured buildings or factory-built housing	750
For each additional officer or partner	150
(d) (e) Biennially, for a general serviceperson’s or specialty serviceperson’s license	200
For each additional officer or partner	150
Biennially, for each branch office	150
(e) (f) Biennially, for a license as a salesperson of manufactured homes, mobile homes, commercial coaches, manufactured buildings or factory-built housing	100
(f) (g) Biennially, for a responsible managing employee’s license	150
(g) (h) For each examination of an applicant for a license.....	50
(h) (i) For a change of address by a licensee	50
(i) (j) For a change of name by a licensee	50
(j) (k) To activate a license from inactive or suspended status	100

2. If a licensee fails to apply for the renewal of his or her license before the license expires, the licensee must pay a fee equal to one and one-half times the fee otherwise required for renewal. If a licensee does not apply for the renewal of his or her license within 30 days after the license expires, the licensee must retake and pass the applicable oral or written examination and submit the application and all of the fees required for an original license.

3. The Division may collect a fee from any licensee who is involved in a complaint from a consumer to recover the costs of investigating and hearing the complaint. The fee will be based upon the rates established in this section.

Sec. 14. NAC 489.370 is hereby amended to read as follows:

489.370 In addition to the fees for a license required by the provisions of NAC 489.360, the Division will charge the following fees for processing an original application for a license:

1. As a dealer of manufactured homes, mobile homes, commercial coaches, manufactured buildings or factory-built housing.....\$400
 - For each additional officer or partner 100
 - For each branch office 100
2. *As a distributor***\$400**
 - For each additional officer or partner*..... **100**
 - For each branch office* **100**
3. As a limited dealer authorized to act as reposessor or liquidator\$100
- ~~3.~~ 4. To do business as a manufacturer of manufactured homes, mobile homes, commercial coaches, travel trailers, manufactured buildings or factory-built housing.....\$500
- ~~4.~~ 5. As a general serviceperson or specialty serviceperson.....\$100
 - For each additional officer or partner 100
 - For each branch office 100
- ~~5.~~ 6. As a salesperson of manufactured homes, mobile homes, commercial coaches, manufactured buildings or factory-built housing\$25
- ~~6.~~ 7. As a responsible managing employee\$100

Sec. 15. NAC 489.610 is hereby amended to read as follows:

489.610 As used in NAC 489.610 to 489.662, inclusive, *and sections 4 to 7, inclusive, of this regulation*, unless the context otherwise requires, the words and terms defined in NAC 489.614 to 489.622, inclusive, *and section 4 of this regulation* have the meanings ascribed to them in those sections.

Sec. 16. NAC 489.630 is hereby amended to read as follows:

489.630 The Administrator will consider, without limitation, the following criteria in determining whether to approve a course:

1. Whether the course consists of at least ~~[4]~~ 3 hours of *distance education or* instruction ~~[.]~~ *in a classroom.*

2. ~~[The]~~ *For a course of instruction in a classroom, the* willingness of the sponsor or instructor of the course to ~~[certify to]~~ :

(a) *Certify* the attendance of persons ~~[at]~~ *who take* the course.

~~[3.—The willingness of the sponsor or instructor of the course to maintain]~~

(b) *Maintain* for ~~[5]~~ 4 years a record of attendance which contains:

~~[(a)]~~ (1) The name ~~[.]~~ *and* address *of the student* and *the* number of the student's license issued by the Division;

~~[(b)]~~ (2) The name of the instructor of the course;

~~[(e)]~~ (3) The title and description of the course; and

~~[(d)]~~ (4) The hours of instruction attended and dates of attendance.

~~[4.—The willingness of the sponsor of the course to ensure]~~

(c) *Ensure* that an approved instructor will preside throughout the course.

~~[5.—If the]~~

3. For a course ~~is offered by correspondence or videotape,~~ of distance education, whether the course satisfies the requirements of section 7 of this regulation and whether the sponsor will:

(a) ~~Administer an open book~~ Require each student to:

(1) Take a closed-book final examination ~~;~~ which is:

(I) Proctored by a person who is approved by the Administrator and who is present at a location designated by the sponsor in its application for approval filed with the Administrator; or

(II) Taken by a student using a secure electronic method acceptable to the Administrator;

(2) Receive a score of at least 75 percent on the final examination to pass the course;

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

(4) Complete an entire course to receive credit for taking the course; and

(5) Complete each course within an established minimum and maximum time.

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

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

~~6.~~ (d) Give credit for only the number of hours for which the course has been approved by the Division to a student who has completed the course.

(e) Maintain for at least 4 years a record of completion of the course which contains the following information with respect to each student who has taken the course for credit:

(1) The name and address of the student and the number of the student's license issued by the Division.

(2) The title and number of the course.

(3) A statement that the student has successfully completed the course, which includes, without limitation, the date on which the course was completed and the number of hours of instruction completed.

4. If a course is presented by ~~[videotape.]~~ *distance education*, whether the sponsor will provide an instructor approved by the Administrator at the place where the course is offered.

~~[7.]~~ 5. If the sponsor or instructor of the course is licensed by the Division, whether his or her license is in good standing, as determined by the Administrator.

6. *If the course is for dealers, responsible managing employees or salespersons, whether the course satisfies the requirements of section 5 of this regulation.*

7. *If the course is for general servicepersons or specialty servicepersons, whether the course satisfies the requirements of section 6 of this regulation.*

Sec. 17. NAC 489.638 is hereby amended to read as follows:

489.638 1. Approval for each instructor, sponsor or course must be renewed ~~[annually]~~ *when requested by the Administrator* by submitting to the Administrator before the period of approval expires:

(a) An application on a form prescribed by the Division;

(b) A certificate, on a form prescribed by the Division, signed by the applicant, under penalty of perjury, declaring that the applicant has complied with the requirements of NAC 489.610 to 489.662, inclusive ~~[.]~~ *and sections 4 to 7, inclusive, of this regulation;* and

(c) The fee prescribed in NAC 489.640.

2. An applicant who submits an application for renewal of approval after the period of approval expires must pay the fee prescribed for an original application for approval pursuant to NAC 489.640.

3. If an instructor or sponsor who submits an application for renewal of approval is licensed by the Division, the instructor or sponsor must have maintained his or her license in good standing, as determined by the Administrator.

4. The Administrator will, within 30 days after receiving an application for renewal, approve or deny it and give written notice of his or her decision to the applicant by certified mail.

Sec. 18. NAC 489.662 is hereby amended to read as follows:

489.662 1. An instructor approved by the Administrator *who is teaching a course in a classroom* shall not issue a certificate of completion to any student who ~~has~~ :

(a) *Has* not attended the required number of hours of instruction for the course ~~is~~ ;

(b) *Did not direct his or her attention to the instruction being provided and refrain from engaging in activities unrelated to the instruction; or*

(c) *Did not refrain from engaging in activities which were distracting to the other students in the course or the instructor or which otherwise disrupted the orderly conduct of the course, including, without limitation, the use of a voice pager, beeper or cellular telephone.*

2. *If an instructor does not issue a certificate of completion to a student pursuant to subsection 1, the student may, within 30 days after the instructor refused to issue the certificate, file a written request with the Administrator to review the matter. If the written request contains allegations which, if true, would qualify the student to receive a certificate of completion, the Administrator will set the matter for an informal hearing before the Administrator to be conducted as soon as practicable.*

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

Sec. 19. NAC 461.125, 489.3105, 489.480, 489.590, 489.634 and 489.648 are hereby repealed.

TEXT OF REPEALED SECTIONS

461.125 Labeling of plumbing fixtures in certain manufactured buildings. (NRS 461.170)

1. Each manufactured building on which construction began on or after March 1, 1992, which is:

(a) Located in this State; and

(b) Equipped with a toilet, shower apparatus or faucet installed in a lavatory or kitchen, ↪ must have a label affixed to that toilet, shower apparatus or faucet or an area immediately adjacent to it.

2. The label must be not less than 1 1/2 inches by 4 inches nor more than 4 inches by 5 inches and:

(a) If it is for a toilet, set forth the maximum amount of water the toilet uses for each flush;

(b) If it is for a shower apparatus, contain a statement indicating whether it is equipped with a device to reduce the shower apparatus’s rate of consumption of water per minute pursuant to NRS 461.175; or

(c) If it is for a faucet, set forth the maximum rate at which water is allowed to flow per minute.

489.3105 Maintenance and proof of cash on deposit. (NRS 489.231) A person that holds a new manufactured home or commercial coach dealer's license or a used manufactured home or commercial coach dealer's license must:

1. Maintain the same amount of cash on deposit in a Nevada financial institution as required for issuance of an initial license pursuant to NAC 489.310; and
2. Provide proof of the deposit to the Division upon request.

489.480 Width of landing area of certain steps. (NRS 489.231, 489.261) If steps for a manufactured home or mobile home are installed parallel to that manufactured home or mobile home on the side where the carport is located, the landing area of those steps must not be less than 22 inches wide.

489.590 Purchase contracts and listing agreements: Form. (NRS 489.231, 489.7152)
A purchase contract or listing agreement executed by a dealer must be on a form prescribed by the Administrator pursuant to NRS 489.7152.

489.634 Contents of course. (NRS 489.231, 489.285)

1. A course must include information relating to the provisions of:
 - (a) Chapter 489 of NRS;
 - (b) Chapter 489 of NAC; and
 - (c) The Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. §§ 5401 et seq.).
2. A course may include information relating to:

(a) Manufactured housing or mobile home parks which will enable a person to give better service to the members of the general public and tenants of mobile home parks.

(b) The construction, including components and accessories, rebuilding, servicing, installation or sale of manufactured homes, mobile homes and commercial coaches.

(c) Legislative issues concerning manufactured housing and mobile home parks, including pending and recently enacted state or federal legislation.

489.648 Sponsors and instructors: Offering of course by correspondence or videotape.

(NRS 489.231, 489.285) A sponsor or instructor who offers a course by correspondence or videotape shall require each student to:

1. Take an open-book final examination with a proctor present at a location as designated by the sponsor in its application for approval filed with the Administrator;
2. Take at least one examination during the course in addition to the final examination;
3. Prove his identity before he is allowed to take any examination; and
4. Complete the course within the period required by the Administrator.