

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

LCB File No. R115-16

Effective June 21, 2017

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

AUTHORITY: §§1 and 3-7, NRS 489.336; §2, NRS 489.251.

A REGULATION relating to manufactured housing; providing requirements for an application for a certificate of ownership for certain mobile homes or manufactured homes; revising provisions relating to the application for and issuance of a limited lien resale license; revising provisions relating to standards for installation of mobile homes and manufactured homes; making various other changes relating to limited lien resale licenses; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law requires the Manufactured Housing Division of the Department of Business and Industry to adopt regulations for the issuance of a limited lien resale license authorizing the resale of a used mobile home that is either purchased at a sale to enforce a lien or acquired through a voluntary surrender by the owner. (NRS 489.336) Existing regulations provide for the issuance of such a license. (NAC 489.775, 489.780, 489.790)

Section 1 of this regulation provides that an application for a certificate of ownership for a mobile home or manufactured home that was acquired through a voluntary surrender must be accompanied by an affidavit stating that the home was acquired through a voluntary surrender. **Sections 5 and 6** of this regulation provide for the application for and issuance of a limited lien resale license for the resale of a mobile home or manufactured home acquired through a voluntary surrender.

Existing regulation requires that an application for a limited resale license be accompanied by, among other documents, a copy of the business license issued for the mobile home park at which the mobile home or manufactured home to which the license will apply is located. (NAC 489.775) **Section 5** clarifies that the license is a limited lien resale license and changes this requirement to provide that a copy of the state business license of the mobile home park is required instead of a copy of the business license.

Existing law requires the Administrator of the Manufactured Housing Division to adopt regulations pertaining to installation safety standards for mobile homes and manufactured homes.

(NRS 489.251) **Section 2** of this regulation updates the publication information of a safety manual adopted by reference by the Administrator and updates information regarding the availability of the manual. (NAC 489.416)

Section 1. Chapter 489 of NAC is hereby amended by adding thereto a new section to read as follows:

An application for a certificate of ownership for a mobile home or manufactured home acquired through a voluntary surrender must be accompanied by an affidavit on a form supplied by the Division stating that the mobile home or manufactured home was acquired by the landlord or manager of the mobile home park through a voluntary surrender by the owner of the mobile home or manufactured home.

Sec. 2. NAC 489.416 is hereby amended to read as follows:

489.416 1. The Administrator hereby adopts by reference the *Nevada Manufactured Home, Mobile Home and Commercial Coach Installation Standards* in the edition most recently published by the Nevada ~~{Manufactured}~~ Housing ~~{Association}~~ *Alliance* and the Modular Building Institute of Nevada, unless the Administrator determines pursuant to subsection 3 that the most recent edition is not suitable for this State.

2. A copy of these standards *may be downloaded, free of charge, from the Division at the Internet address <http://mhd.nv.gov>, or* may be obtained from the Division at ~~{2501 East Sahara Avenue, Suite 204,}~~ *3300 West Sahara Avenue, Suite 320,* Las Vegas, Nevada ~~{89104,}~~ *89102,* or ~~{1535 Old Hot Springs Road, Suite 60,}~~ *1830 East College Parkway, Suite 120,* Carson City, Nevada 89706, for the price of \$15.

3. The Administrator will review each successive edition of the standards to determine its suitability for this State. If the Administrator provisionally determines that the most recent edition is not suitable, the Administrator will hold a public hearing to review this determination.

If, after the hearing, the Administrator finally determines that the most recent edition is not suitable for this State, he or she will, within 30 days after that determination, give notice that the edition is not adopted by reference.

Sec. 3. NAC 489.750 is hereby amended to read as follows:

489.750 As used in NAC 489.750 to 489.790, inclusive, *and section 1 of this regulation*, unless the context otherwise requires, the words and terms defined in NAC 489.755 to 489.770, inclusive, have the meanings ascribed to them in those sections.

Sec. 4. NAC 489.760 is hereby amended to read as follows:

489.760 “Licensee” means a landlord or manager of a mobile home park to whom a limited *lien* resale license is issued by the Division pursuant to NAC 489.780.

Sec. 5. NAC 489.775 is hereby amended to read as follows:

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

(a) A fee of \$50;

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

(c) An affidavit stating that the applicant:

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

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

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

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

Sec. 6. NAC 489.780 is hereby amended to read as follows:

489.780 1. Upon receipt of an application for a limited *lien* resale license, the fee required by NAC 489.775 and any other information required by the Division, the Division will approve the application and issue to the applicant a limited *lien* 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 *lien* 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) A copy of the certificate of title or certificate of ownership of the used mobile home or manufactured home;

(b) A copy of ~~the~~, *as applicable*:

(1) The notice of lien, the notice of sale by auction or the lien satisfaction form; or

(2) The affidavit of voluntary surrender required pursuant to section 1 of this regulation; and

(c) Any other information deemed necessary by the Division.

3. If a landlord of a mobile home park terminates the employment of a manager of the park who has applied for or holds a limited *lien* resale license, the landlord shall, as soon as practicable, provide written notice of the termination to the Division and the application or license of the manager becomes invalid.

Sec. 7. NAC 489.785 is hereby amended to read as follows:

489.785 1. A landlord of a mobile home park shall maintain a permanent record of each sale of a used mobile home or manufactured home located in the mobile home park that is authorized pursuant to a limited *lien* resale license. 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 or her agent.

INFORMATIONAL STATEMENT

February 9, 2017

NRS 233B.066 Informational statement required concerning adopted permanent or temporary regulation; contents of statement.

1. Except as otherwise provided in subsection 2, each adopted regulation which is submitted to the Legislative Counsel pursuant to NRS 233B.067 or filed with the Secretary of State pursuant to subsection 2 or 3 of NRS 233B.070 must be accompanied by a statement concerning the regulation which contains the following information:

(a) A clear and concise explanation of the need for the adopted regulation.

As the result of the passage of AB 270, a regulation is required to define the process of transferring a certificate of ownership for a manufactured home that was obtained through a voluntary surrender. The proposed regulation allows for a mobile home park owner to apply for a Limited Lien Resale License directly, instead of hiring a licensed MHD Dealer to process the transfer documents.

The proposed regulation also addresses the need to maintain the consistency of the term, "limited lien resale license" throughout all of Chapter 489 when applicable.

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

The Division has collaborated closely with the Manufactured Home Community Owners, the trade association representing mobile home park owners. The Division held a workshop on December 7, 2015 where the proposed regulation was accepted favorably by industry.

(c) The number of persons who:

- (1) Attended each hearing: 8**
- (2) Testified at each hearing: 0**
- (3) Submitted to the agency written statements: 0**

(d) For each person identified in subparagraphs (2) and (3) of paragraph (c), the following information if provided to the agency conducting the hearing:

Not applicable.

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

The Division has collaborated closely with the Manufactured Home Community Owners, the trade association representing mobile home park owners. The Division held a workshop on December 7, 2015 where the proposed regulation was accepted favorably by industry.

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

No changes were necessary for the adopted regulation, since there was no adverse testimony.

(g) The estimated economic effect of the regulation on the business which it is to regulate and on the public. These must be stated separately, and in each case must include:

(1) Both adverse and beneficial effects; and

- **Adverse effects** – *The Division does not anticipate an adverse effect on small businesses, since this regulation proposes a much lower expense to the mobile home park owner to purchase a \$50 Limited Lien Resale License fee versus hiring a licensed Dealer for a Certificate of Ownership transfer.*
- **Beneficial effects** – *The adoption of R115-16 will allow a mobile home park owner to apply for a Limited Lien Resale License directly, instead of hiring a license Dealer. The cost of this process is significantly lower than the fee a licensed Dealer would charge for processing a Certificate of ownership transfer. It will also allow for a shorter timeframe for the consumer to receive their title.*

(2) Both immediate and long-term effects.

- **Immediate Effect** - *The immediate economic effect will be positive for industry since a mobile home park owner will now have the ability purchase a Limited Lien Resale License.*
- **Long-term Effect** - *The long-term economic effect will be positive for the mobile home park owner since the cost of future title transfers will be significantly less than the fees charged by the licensed Dealer to process the transfer paperwork.*

(h) The estimated cost to the agency for enforcement of the proposed regulation.

No additional cost will be incurred by the Division to enforce this regulation. All Division fees are calculated to reimburse the Division staff for the time and material expended to perform the requirements of the regulation.

(i) A description of any regulations of other state or government agencies which 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.

This proposed regulation does not overlap with any other state or federal regulations.

(j) If the regulation includes provisions which are more stringent than a federal regulation which regulates the same activity, a summary of such provisions.

This proposed regulation does not include any provisions that are more stringent than a federal regulation.

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

There is not a new fee in this regulation. The existing fee, pursuant to NAC 489.775(1)(a), will be charged once for each Certificate of Ownership.

2. The requirements of paragraphs (b) to (f), inclusive, of subsection 1 do not apply to emergency regulations.

This is not an emergency regulation.