

**PROPOSED REGULATION OF THE ADMINISTRATOR OF THE
HOUSING DIVISION OF THE DEPARTMENT OF BUSINESS
AND INDUSTRY**

LCB File No. R003-22

February 22, 2022

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

AUTHORITY: §§ 1-6, NRS 118B.024 and 118B.215.

A REGULATION relating to manufactured home parks; establishing procedures for the administration of a program to assist eligible low-income persons who own a manufactured home by supplementing their monthly rent for the manufactured home lot on which their manufactured home is located; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Before the passage of Senate Bill No. 500 (S.B. 500) during the 2017 Legislative Session, existing law established the Housing Division and the Manufactured Housing Division within the Department of Business and Industry. (NRS 232.510) S.B. 500 removed all provisions of existing law that referenced the Manufactured Housing Division and consolidated its functions under the Housing Division. (Chapter 532, Statutes of Nevada 2017, at page 3600) The consolidated functions include the administration of what is commonly referred to as the Lot Rent Subsidy Program. The Program uses certain money to provide assistance to eligible low-income owners of manufactured homes by supplementing their monthly rent for the manufactured home lot on which their manufactured home is located. S.B. 500 repealed certain provisions of then-existing law that governed the administration of the Lot Rent Subsidy Program by the Manufactured Housing Division, including provisions that: (1) establish procedures governing the denial or termination of assistance from the Program; (2) require applicants or recipients of assistance to notify the Division of changes in their eligibility for such assistance; (3) specify certain information that the Division is required to include in an application for assistance; (4) provide for the recovery of such assistance incorrectly granted; and (5) provide for personal liability and a civil penalty for persons who knowingly obtain or attempt to obtain such assistance with the intent to cheat or defraud the Division. (Section 56 of Senate Bill No. 500, chapter 532, Statutes of Nevada 2017, at page 3626) **Sections 2-5** of this regulation adopt comparable provisions in place of the repealed statutory provisions. **Section 6** of this regulation makes conforming changes.

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

Sec. 2. 1. *If the Division decides to deny or terminate assistance to an applicant or recipient, the Division will notify the applicant or recipient of its decision by mailing to the applicant or recipient a notice of its decision by certified mail, return receipt requested, to the last known address of the applicant or recipient. The notice must:*

(a) Specify the reasons for the denial or termination of assistance; and

(b) Contain a statement informing the applicant or recipient that a hearing will be provided if the applicant or recipient files a written request for a hearing within 20 days after the applicant or recipient receives the notice.

2. An applicant or recipient may, within 20 days after the applicant or recipient receives notice pursuant to subsection 1, file a written request for a hearing with the Division. If the Division does not receive a request for a hearing within 20 days after the applicant or recipient receives notice pursuant to subsection 1, the Division's decision becomes final and is not subject to judicial review.

3. If an applicant or recipient requests a hearing within 20 days after the applicant or recipient receives notice pursuant to subsection 1, a hearing will be conducted before the Administrator, or a hearing officer appointed by the Administrator, within 60 days after receipt of the request by the Division. The Division will notify the applicant or recipient of the time, place and date of the hearing. An applicant whose application for assistance is denied has the burden of proving, by a preponderance of the evidence, that the applicant is entitled to receive assistance. The Division has the burden of proving the grounds for terminating the assistance provided to a recipient.

4. The Administrator or hearing officer will issue a decision within 30 days after the hearing and mail a copy of the decision to the applicant or recipient. The decision of the Administrator or hearing officer is a final decision for purposes of judicial review.

Sec. 3. An applicant or recipient shall notify the Administrator of any change in his or her eligibility pursuant to NRS 118B.215 within 10 days after the change. An applicant or recipient who violates this section is ineligible for assistance from the Account.

Sec. 4. The Division will include in each application for assistance from the Account:

1. A statement that an applicant or recipient who fails to report:

(a) Information required to be included in the application that the applicant or recipient knew at the time he or she signed the application; or

(b) A change in his or her eligibility pursuant to NRS 118B.215,

↳ may be personally liable to the Division for any assistance incorrectly paid to him or her; and

2. The provisions of section 5 of this regulation.

Sec. 5. 1. The Division may recover from a recipient an amount not to exceed the assistance incorrectly paid to him or her if the recipient failed to report:

(a) Information required to be included in the application that the recipient knew at the time he or she signed the application; or

(b) Any change in his or her eligibility pursuant to NRS 118B.215.

2. Any person who knowingly, by any false pretense, false or misleading statement, impersonation or misrepresentation, obtains or attempts to obtain with the intent to cheat or defraud the Division assistance from the Account in an amount of \$100 or more is personally liable for:

(a) Any assistance incorrectly paid to that person;

(b) The costs of any investigation conducted by the Division to determine whether that person received assistance incorrectly;

(c) Court costs;

(d) Attorney's fees; and

(e) A civil penalty of not more than \$1,000.

3. The Division may bring an action to recover a civil penalty imposed pursuant to subsection 2 and shall deposit any money recovered with the State Treasurer for credit to the Account.

Sec. 6. NAC 118B.420 is hereby amended to read as follows:

118B.420 1. Each recipient shall submit to the Division a requalification form provided by the Division not later than March 1 of each year.

2. The Division will mail the form to each recipient not later than January 31 of each year.

3. A recipient who submits an annual requalification form which the Division receives after March 1 is not entitled to receive assistance from the ~~Fund~~ *Account* unless the recipient submits a new application for assistance to the Division and the Administrator approves the application. A person who submits a new application pursuant to this subsection is entitled to receive assistance subject to the provisions of NAC 118B.400 and 118B.410.

4. Each requalification form must include a statement signed by the recipient under penalty of perjury that he or she has read and understood the provisions of *section 3 of this regulation* and NRS ~~118B.218 and~~ 118B.251.