SENATE BILL NO. 80-COMMITTEE ON COMMERCE, LABOR AND ENERGY

(ON BEHALF OF THE MANUFACTURED HOUSING DIVISION)

PREFILED DECEMBER 15, 2010

Referred to Committee on Commerce, Labor and Energy

SUMMARY—Makes various changes to the provisions governing manufactured housing. (BDR 43-480)

FISCAL NOTE: Effect on Local Government: No. Effect on the State: Yes.

EXPLANATION - Matter in *bolded italics* is new; matter between brackets [omitted material] is material to be omitted.

AN ACT relating to manufactured housing; providing for the licensure of limited servicepersons by the Manufactured Housing Division of the Department of Business and Industry; revising certain provisions to provide for the regulation of limited servicepersons; prohibiting the Division from issuing certain certificates for certain manufactured housing; requiring certain persons repairing a manufactured home to enter into a written agreement with the person for whom the work is being performed; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for the licensure, continuing education, obligations, 1 23456789 disciplinary action and other regulation of dealers, distributors, general servicepersons, specialty servicepersons, responsible managing employees and salespersons of manufactured housing. (NRS 489.285, 489.305, 489.311, 489.321, 489.323, 489.341, 489.342, 489.343, 489.344, 489.351, 489.401, 489.423, 489.425, 489.481, 489.4971)

Sections 2-17 of this bill add limited servicepersons to the list of persons to whom the provisions relating to licensure, continuing education, obligations, disciplinary action and other regulation apply.

10 Sections 18 and 19 of this bill eliminate the requirement that a dealer report the 11 sale of any new, used or rebuilt manufactured building or factory-built housing in 12 this State.

13 Section 20 of this bill eliminates the requirement for the submission of certain 14 documents to the Manufactured Housing Division of the Department of Business





15 and Industry and to the county assessor by a person who is not a dealer and who has 16 sold a used or rebuilt manufactured building or factory-built housing.

17 Section 21 of this bill prohibits the Division from issuing a certificate of title or 18 certificate of ownership for certain manufactured housing that is converted to real 19 property.

Section 22 of this bill requires a person who performs work pertinent to the repair of a manufactured home to enter into a written agreement with each person for whom the work is being performed before the work is performed.

20 21 22 23 24 25 26 27 28 29 30 Section 23 of this bill eliminates the provision prohibiting the distribution of money held in escrow concerning the sale or exchange of a manufactured building or factory-built housing until an application for a certificate of title or ownership for the manufactured building or factory-built housing is submitted to the Division.

Section 24 of this bill makes it unlawful for a limited serviceperson to rent or lease a vacant mobile home lot under certain circumstances.

Section 25 of this bill requires the Administrator to give notice to every limited serviceperson before the adoption of certain regulations.

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

Section 1. Chapter 489 of NRS is hereby amended by adding 1 2 thereto a new section to read as follows:

"Limited serviceperson" means a person who owns or is 3 1. the responsible managing employee of a business which: 4

5 (a) Installs or repairs the awnings, roofing, skirting, plumbing, heating or electrical systems of a manufactured home, mobile 6 7 home or commercial coach: or

8 (b) Reconstructs a manufactured home, mobile home or commercial coach by the alteration, addition or substitution of 9 substantial or essential parts. 10

11 2. The term does not include:

(a) A licensed manufacturer engaged in the repair or service 12 of a manufactured home, mobile home or commercial coach that 13 was manufactured by the licensed manufacturer; 14

15 (b) The owner or purchaser of a manufactured home, mobile home or commercial coach who uses the manufactured home, 16 17 mobile home or commercial coach as a private residence; or

(c) The owner or purchaser of a commercial coach who uses 18 the commercial coach for his or her own industrial, professional 19 or commercial purposes. 20

21

Sec. 2. NRS 489.031 is hereby amended to read as follows:

489.031 As used in this chapter, unless the context otherwise 22 requires, the words and terms defined in NRS 489.036 to 489.155. 23 inclusive, and section 1 of this act have the meanings ascribed to 24 25 them in those sections.





Sec. 3. NRS 489.285 is hereby amended to read as follows:

2 489.285 1. The Division shall adopt regulations concerning 3 continuing education requirements for dealers, distributors, general servicepersons, *limited servicepersons*, specialty servicepersons, 4 5 responsible managing employees and salespersons. The regulations 6 must include the:

7 (a) Criteria for determining what qualifies as continuing 8 education: 9

(b) Criteria for approving educational and training programs;

10

1

(c) Requirements for submitting evidence of completion; and

(d) Grounds and procedures for granting an extension of time 11 within which to comply with continuing education requirements. 12

13 In adopting regulations pursuant to subsection 1, the 2. 14 Division shall:

15 (a) Allow for alternative subjects, instructors, schools and 16 sources of programs, with consideration for specialized areas of practice, availability and proximity of resources to the licensees and 17 18 applicants, and the time and expense required to participate in the 19 programs.

(b) Approve courses offered by generally accredited educational 20 21 institutions and private vocational schools if those courses otherwise 22 qualify as continuing education.

23 (c) Approve training and educational programs and seminars 24 offered by:

25

(1) Individual sponsors:

(2) Manufactured housing firms and businesses such as 26 27 dealers, distributors, general servicepersons, *limited servicepersons*, specialty servicepersons, manufacturers and suppliers of the various 28 29 components for constructing such homes or coaches, including 30 heating and air-conditioning systems, material for roofing and 31 siding, skirting, awnings and other components;

32

(3) Professional and industry-related organizations; and

33 (4) Other organized educational programs concerning technical or specialized subjects, including in-house training 34 35 programs offered by an employer for his or her employees and participation in meetings and conferences of industry-related 36 37 organizations.

(d) Solicit advice and assistance from persons and organizations 38 that are knowledgeable in the construction, sale, distribution, 39 installation, rebuilding and servicing of manufactured homes, 40 41 mobile homes, manufactured buildings, commercial coaches or 42 factory-built housing and the method of educating licensees.

43 The Division is not responsible for the costs of any 3. 44 continuing education program, but may participate in the funding of 45 those programs subject to legislative appropriations.





4. As used in this section, "industry-related organizations" 1 2 includes, without limitation, the: 3 (a) Manufactured Housing Institute; 4 (b) Manufactured Home Community Owners; (c) Nevada Association of Manufactured Home Owners. Inc.: 5 6 (d) Nevada Association of Realtors; 7 (e) Nevada Housing Alliance; (f) Modular Building Institute; and 8 9 (g) Any other organization approved by the Division. 10 **Sec. 4.** NRS 489.305 is hereby amended to read as follows: 489.305 To open a branch office, a dealer, distributor, general 11 12 serviceperson, *limited serviceperson* or specialty serviceperson 13 must: 14 Obtain a license from the Division to operate the branch 1. 15 office: and 16 2. Provide for direct supervision of the branch office, either alone or by employing a responsible managing employee. 17 18 **Sec. 5.** NRS 489.311 is hereby amended to read as follows: 1. Except as otherwise provided by NRS 489.331, 19 489.311 20 no person may engage or offer to engage in the business of a dealer, 21 distributor. manufacturer, general serviceperson limited 22 serviceperson or specialty serviceperson in this State, or be entitled to any other license or permit required by this chapter, until the 23 24 person has applied for and has been issued a license by the Division. 25 For the purposes of this section, a person engages in the 2. 26 dealer. distributor. manufacturer, business of а general 27 serviceperson, *limited serviceperson* or specialty serviceperson in this State if the person, without limitation, submits a bid to perform 28 29 any activity requiring a license pursuant to this section. 30 **Sec. 6.** NRS 489.321 is hereby amended to read as follows: 31 489.321 1. An application for a manufacturer's, dealer's, distributor's, general serviceperson's , limited serviceperson's or 32 33 specialty serviceperson's license must be filed upon forms supplied by the Division and include the social security number of the 34 35 applicant. The applicant must furnish: (a) Any proof the Division may deem necessary that the 36 37 applicant dealer, manufacturer. distributor. general is а 38 serviceperson, *limited serviceperson* or specialty serviceperson. 39 (b) Any proof the Division may require that the applicant has an 40 established place of business. 41 (c) Any proof the Division may require of the applicant's good 42 character and reputation and fitness to engage in the activities for 43 which the license is sought. 44 (d) A complete set of the applicant's fingerprints and written 45 permission authorizing the Administrator to forward those * S B 8 0 *

-4-

fingerprints to the Central Repository for Nevada Records of
 Criminal History for submission to the Federal Bureau of
 Investigation for its report. The Administrator may exchange with
 the Central Repository and the Federal Bureau of Investigation any
 information relating to the fingerprints of an applicant under this
 section.

7 (e) In the case of a dealer in new manufactured homes, an 8 instrument in the form prescribed by the Division executed by or on 9 behalf of the manufacturer certifying that the applicant is an 10 authorized franchise dealer for the make or makes concerned.

11

(f) A reasonable fee fixed by regulation.

12 (g) In the case of a dealer, distributor , [or] general 13 serviceperson [,] or *limited serviceperson*, proof of passing the 14 examination required under subsection 1 of NRS 489.351.

15 (h) In the case of a specialty serviceperson, proof of passing the 16 examination required under subsection 1 of NRS 489.351 or proof 17 that the examination has been waived pursuant to subsection 2 of 18 NRS 489.351.

(i) Any additional requirements the Division may from time totime prescribe by regulation.

21 2. Within 60 days after the receipt of a complete application, 22 the Division shall issue or deny the license.

The Administrator may issue a provisional license pending 23 3. 24 receipt of the report from the Federal Bureau of Investigation. Upon 25 receipt of the report and a determination by the Administrator that 26 the applicant is qualified, the Division shall issue to the applicant a 27 dealer's, manufacturer's, distributor's, general serviceperson's, 28 *limited* serviceperson's or specialty serviceperson's license 29 containing the applicant's name and the address of the applicant's 30 fixed place of business.

4. Each license is valid for a period of 2 years after the date of issuance and may be renewed for like consecutive periods upon application to and approval by the Division.

34

43

Sec. 7. NRS 489.323 is hereby amended to read as follows:

35 489.323 If a licensee is a dealer, distributor, general 36 serviceperson, *limited serviceperson*, specialty serviceperson, 37 responsible managing employee or salesperson, the Division shall not renew a license issued to that licensee until the licensee has 38 39 submitted proof satisfactory to the Division that the licensee has, 40 during the 2-year period immediately preceding the renewal of the license, completed at least 8 hours of continuing education approved 41 42 by the Division pursuant to NRS 489.285.

Sec. 8. NRS 489.341 is hereby amended to read as follows:

44 489.341 1. A person shall not act as a salesperson in this 45 State or as a responsible managing employee for a person who sells,





leases, distributes, reconstructs, improves, repairs or installs any
 manufactured home, mobile home, manufactured building,
 commercial coach or factory-built housing subject to the provisions
 of this chapter without first having received a license from the
 Division. Before issuing such a license, the Division shall require:

6 (a) An application, signed and verified by the applicant, stating 7 that the applicant desires to act as a salesperson or responsible 8 managing employee and providing the applicant's residential 9 address and social security number and the name and address of his 10 or her employer.

(b) Proof of the employment of the applicant at the time the application is filed. An applicant for a license as a responsible managing employee shall submit proof of 2 years' experience within the previous 4 years in the business in which the applicant is seeking to be licensed as a responsible managing employee.

16 (c) Proof of the applicant's good character and reputation and 17 fitness to act as a salesperson or responsible managing employee.

(d) A complete set of the applicant's fingerprints and written
permission authorizing the Administrator to forward those
fingerprints to the Central Repository for Nevada Records of
Criminal History for submission to the Federal Bureau of
Investigation for its report. The Administrator may exchange with
the Central Repository and the Federal Bureau of Investigation any
information relating to the fingerprints of an applicant.

25 (e) A statement as to whether any previous application of the 26 applicant has been denied or license revoked.

27 (f) Payment of a reasonable license fee established by 28 regulation.

(g) The applicant to have passed the examination required byNRS 489.351.

31

(h) Any other information the Division deems necessary.

32 2. Within 60 days after the receipt of a complete application,33 the Division shall issue or deny the license.

34 3. The Administrator may issue a provisional license pending 35 receipt of the report from the Federal Bureau of Investigation. Upon 36 receipt of the report and a determination by the Administrator that 37 the applicant is qualified, the Administrator shall issue to the 38 applicant a license as a salesperson or a responsible managing 39 employee. The license must contain the licensee's name and the 34 address of his or her employer's place of business.

41 4. Each license is valid for 2 years after the date of issuance 42 and may be renewed for like consecutive periods upon application 43 to and approval by the Division.



5. A person licensed pursuant to this section shall not engage in
 sales activity other than for the account of, or for and in behalf of, a
 single employer who is a licensed dealer or distributor.

4 A license issued pursuant to this section may be transferred 5 to another licensed employer upon application and the payment of a 6 transfer fee of \$10. When a salesperson or responsible managing 7 employee holding a current license leaves the employment of one 8 dealer, distributor, general serviceperson, *limited serviceperson* or 9 specialty serviceperson for that of another, the new employer may 10 employ the salesperson or responsible managing employee pending 11 the transfer of the license if the transfer is completed within 10 days.

12 7. A license issued pursuant to this section must be posted in a 13 conspicuous place on the premises of the employer for whom the 14 holder of the license is licensed.

15 8. If a salesperson or responsible managing employee ceases to 16 be employed by a licensed dealer, distributor, general serviceperson 17 , *limited serviceperson* or specialty serviceperson, his or her license 18 to act as a salesperson or responsible managing employee is automatically suspended and the person's right to act in that 19 20 capacity immediately ceases, and he or she shall not engage in such 21 an activity until reemployed by a licensed dealer, distributor, general 22 serviceperson, *limited serviceperson* or specialty serviceperson. Every licensed salesperson and responsible managing employee 23 24 shall report in writing to the Division every change in his or her 25 place of employment or termination of employment within 5 days 26 after the date of making the change.

27

Sec. 9. NRS 489.342 is hereby amended to read as follows:

28 489.342 1. A natural person who applies for the issuance or renewal of a manufacturer's, dealer's, distributor's, general 29 serviceperson's, *limited serviceperson's*, specialty serviceperson's, 30 31 salesperson's or responsible managing employee's license shall 32 submit to the Division the statement prescribed by the Division of 33 Welfare and Supportive Services of the Department of Health and 34 Human Services pursuant to NRS 425.520. The statement must be 35 completed and signed by the applicant.

2. The Division shall include the statement required pursuant to subsection 1 in:

(a) The application or any other forms that must be submittedfor the issuance or renewal of the license; or

40 (b) A separate form prescribed by the Division.

41 3. A manufacturer's, dealer's, distributor's, general 42 serviceperson's, *limited serviceperson's*, specialty serviceperson's, 43 salesperson's or responsible managing employee's license may not 44 be issued or renewed by the Division if the applicant is a natural 45 person who:





1 (a) Fails to submit the statement required pursuant to subsection 2 1: or

3 (b) Indicates on the statement submitted pursuant to subsection 4 1 that the applicant is subject to a court order for the support of a 5 child and is not in compliance with the order or a plan approved by 6 the district attorney or other public agency enforcing the order for 7 the repayment of the amount owed pursuant to the order.

16

8 4. If an applicant indicates on the statement submitted pursuant 9 to subsection 1 that the applicant is subject to a court order for the 10 support of a child and is not in compliance with the order or a plan 11 approved by the district attorney or other public agency enforcing 12 the order for the repayment of the amount owed pursuant to the 13 order, the Division shall advise the applicant to contact the district 14 attorney or other public agency enforcing the order to determine the 15 actions that the applicant may take to satisfy the arrearage.

Sec. 10. NRS 489.343 is hereby amended to read as follows:

17 1. Every partnership, limited partnership, limited-489.343 18 liability partnership, limited-liability limited partnership or limited-liability company doing business as a manufacturer, dealer, 19 distributor, general serviceperson, limited serviceperson or 20 21 specialty serviceperson in this State shall designate one of its 22 members, and every corporation doing business as a manufacturer, dealer, distributor, general serviceperson, limited serviceperson or 23 specialty serviceperson in this State shall designate one of its 24 25 officers, to submit an application for a manufacturer's, dealer's, distributor's, general serviceperson's , limited serviceperson's or 26 27 specialty serviceperson's license.

28 2. The Division shall issue a manufacturer's, dealer's, 29 distributor's, general serviceperson's , limited serviceperson's or 30 specialty serviceperson's license to the member or officer on behalf 31 of the corporation, company or partnership upon:

32 (a) The designated member or officer, in the case of a dealer, 33 distributor, general serviceperson , *limited serviceperson* or specialty serviceperson, successfully passing the examination 34 required pursuant to subsection 1 of NRS 489.351 unless, in the 35 36 case of a specialty serviceperson, the examination is waived pursuant to subsection 2 of NRS 489.351; and 37

(b) Compliance with all other requirements of law or any other 38 additional requirements the Division may from time to time 39 prescribe by regulation by the partnership, limited partnership, 40 limited-liability partnership, limited-liability limited partnership or 41 42 limited-liability company, or corporation, as well as by the designated member or officer. 43



1 Upon receipt of the license, the designated member or 3. 2 officer is entitled to perform all the acts authorized by a license 3 issued by the Division, except:

(a) That the license issued entitles the designated member or 4 5 officer to act pursuant to the terms and conditions of the license 6 issued by the Division only as officer or agent of the partnership, limited partnership, limited-liability partnership, limited-liability 7 8 limited partnership or limited-liability company, or corporation, and 9 not on his or her own behalf; and

10 (b) That if the person designated by the partnership, limited partnership, limited-liability partnership, limited-liability limited 11 12 partnership or limited-liability company, or corporation:

13

(1) Is refused a license by the Division; or

(2) Ceases to be connected with the partnership, limited 14 15 partnership, limited-liability partnership, limited-liability limited 16 partnership, limited-liability company or corporation,

→ the partnership, limited partnership, limited-liability partnership, 17 18 limited-liability limited partnership, limited-liability company, or corporation may designate another person who shall make 19 20 application and qualify as in the first instance.

21

Sec. 11. NRS 489.344 is hereby amended to read as follows:

22 489.344 Each member or officer of a partnership, limited partnership, limited-liability partnership, limited-liability limited 23 partnership or limited-liability company, or a corporation who will 24 perform or engage in any of the acts specified in NRS 489.076. 25 489.081, 489.102, 489.115 or 489.147, or section 1 of this act, other 26 27 than the member or officer designated for that purpose by the 28 partnership, limited partnership, limited-liability partnership, 29 limited-liability limited partnership, limited-liability company, or 30 the corporation, in the manner provided in NRS 489.343, must 31 apply for and take out a separate manufacturer's, dealer's, distributor's, general serviceperson's , *limited serviceperson's* or 32 specialty serviceperson's license in his or her own name. The 33 license issued to any such member or officer of a partnership, 34 35 company or corporation entitles the member or officer to act as a manufacturer, dealer, distributor, general serviceperson, limited 36 37 serviceperson or specialty serviceperson only as an officer or agent 38 of the partnership, limited partnership, limited-liability partnership, 39 limited-liability limited partnership, limited-liability company, or 40 corporation and not on his or her own behalf. 41

NRS 489.351 is hereby amended to read as follows: Sec. 12.

42 1. Except as otherwise provided in subsection 2, the 489.351 43 Administrator shall require an oral or written examination of each 44 applicant for a license as a dealer, distributor, responsible managing



employee, salesperson, general serviceperson , limited 1 serviceperson or specialty serviceperson. 2

2. The Administrator may waive the examination required 3 pursuant to subsection 1 for an applicant for a license as a specialty 4 5 serviceperson if:

(a) The applicant holds another valid license issued by this 6 7 State: and

8 (b) The services performed by the applicant pursuant to that 9 license are substantially similar to the services to be performed by 10 the applicant as a specialty service person.

Sec. 13. NRS 489.401 is hereby amended to read as follows:

12 489.401 The following grounds, among others, constitute 13 grounds for disciplinary action pursuant to NRS 489.381:

14 The intentional publication, circulation or display of any 1. 15 advertising which constitutes a deceptive trade practice as that term 16 is defined in NRS 598.0915 to 598.0925, inclusive.

17 2. Failure to include in any advertising the name of the licensed 18 dealer, distributor, general serviceperson, *limited serviceperson* or specialty serviceperson, or the name under which the person is 19 20 doing business.

21 Making any substantial misrepresentation or false promise 3. 22 which is likely to influence, persuade or induce, or continually failing to fulfill promises to sell, breaching agreements or contracts 23 24 or making false promises by any means.

25 Failure to disclose all terms and conditions of a sale, 4. purchase or lease or offer to sell, purchase or lease a manufactured 26 home, mobile home, manufactured building or commercial coach or 27 28 factory-built housing.

29 5. Failure to disclose to a person with whom the licensed dealer 30 or distributor is dealing with regard to the sale, distribution, 31 purchase or lease of a manufactured home any material facts, 32 structural defects or other material information which the licensed dealer or distributor knew, or which by the exercise of reasonable 33 care and diligence should have known, concerning the manufactured 34 35 home or concerning the sale, distribution, purchase or lease of the 36 manufactured home. 37

Failure to comply with the provisions of NRS 489.595. 6.

7. Representing to any lender, guaranteeing agency or other 38 39 interested party, orally or through the preparation of false 40 documents: 41

(a) An amount in excess of the actual sales price;

42 (b) A false amount as the down payment, earnest money deposit 43 or other valuable consideration;

44 (c) Terms differing from those actually agreed upon; or

45 (d) False information on a credit application.



11



8. Inducing an applicant to falsify a credit application.

2 9. Failure to obtain from the holder of any lien or security 3 interest in a manufactured home, mobile home, manufactured 4 building or commercial coach or factory-built housing within 10 5 days before the closure of a sale a written acknowledgment that the 6 holder of the lien or security interest has received written 7 notification of the sale.

8

1

Sec. 14. NRS 489.423 is hereby amended to read as follows:

489.423 1. Upon a finding that a licensed dealer or 9 10 distributor knew, or by the exercise of reasonable care and diligence should have known, of any unlawful act or violation of a provision 11 12 of this chapter by a salesperson, general serviceperson, *limited* 13 serviceperson, specialty serviceperson or any other person who is 14 employed by or associated with the licensed dealer or distributor, 15 the Administrator may suspend or revoke the license of the licensed 16 dealer or distributor and impose an administrative fine upon him or 17 her of not more than \$1,000.

18 2. Upon a finding that a licensed dealer or distributor failed to 19 maintain adequate supervision of a salesperson, general serviceperson, *limited serviceperson* or specialty serviceperson 20 21 who, while employed by or associated with the licensed dealer or 22 distributor, committed any unlawful act or violated a provision of 23 this chapter, the Administrator may suspend or revoke the license of 24 the licensed dealer or distributor and impose an administrative fine 25 upon him or her of not more than \$1,000.

26 Upon a finding that a licensed general serviceperson, 3. 27 *limited serviceperson* or specialty serviceperson knew, or by the 28 exercise of reasonable care and diligence should have known, of any 29 unlawful act or violation of a provision of this chapter by any person 30 who is employed by or associated with the licensed general 31 serviceperson, *limited serviceperson* or specialty serviceperson, the 32 Administrator may suspend or revoke the license of the licensed general serviceperson, *limited serviceperson* or specialty 33 34 serviceperson and impose an administrative fine upon him or her of 35 not more than \$1.000.

36

Sec. 15. NRS 489.425 is hereby amended to read as follows:

37 1. If the Division receives a copy of a court order 489.425 issued pursuant to NRS 425.540 that provides for the suspension of 38 all professional, occupational and recreational licenses, certificates 39 40 and permits issued to a person who is the holder of a 41 manufacturer's, dealer's, distributor's, general serviceperson's, 42 *limited serviceperson's*, specialty serviceperson's, salesperson's or responsible managing employee's license, the Division shall deem 43 44 the license issued to that person to be suspended at the end of the 45 30th day after the date on which the court order was issued unless





the Division receives a letter issued to the holder of the license by 1 2 the district attorney or other public agency pursuant to NRS 425.550 stating that the holder of the license has complied with the subpoena 3 or warrant or has satisfied the arrearage pursuant to NRS 425.560. 4

5 The Division shall reinstate a manufacturer's, dealer's, 2. 6 distributor's, general serviceperson's, *limited serviceperson's*, specialty serviceperson's, salesperson's or responsible managing 7 employee's license that has been suspended by a district court 8 pursuant to NRS 425.540 if the Division receives a letter issued by 9 the district attorney or other public agency pursuant to NRS 425.550 10 to the person whose license was suspended stating that the person 11 12 whose license was suspended has complied with the subpoena or 13 warrant or has satisfied the arrearage pursuant to NRS 425.560. 14

Sec. 16. NRS 489.481 is hereby amended to read as follows:

15 489.481 The Division shall adopt regulations providing fees 16 for:

17 1. Certificates of installation:

18 2. Labels of installation:

3. Certificates of compliance; 19

- 20 4. Labels of compliance;
- 21 5. Certificates of ownership;

22 manufacturers, dealers. distributors. 6. Licenses of 23 salespersons, responsible managing employees, general servicepersons 24 limited servicepersons and specialty . 25 servicepersons;

26 7. Licenses for branch offices: and

27 Any other services provided by the Division. 8.

NRS 489.4971 is hereby amended to read as follows: 28 Sec. 17.

29 489.4971 1. The Account for Education and Recovery 30 Relating to Manufactured Housing is hereby created within the Fund 31 for Manufactured Housing to satisfy the claims of purchasers of manufactured homes, mobile homes, manufactured buildings, 32 33 commercial coaches or factory-built housing against persons licensed pursuant to the provisions of this chapter. Any balance in 34 35 the Account over \$500,000 at the end of any fiscal year must be set aside and used by the Administrator for education relating to 36 manufactured homes, mobile homes, travel trailers, manufactured 37 38 buildings, commercial coaches or factory-built housing.

39 Upon the issuance or renewal of the following licenses by 2. the Division, the licensee must pay, in addition to the original or 40 41 renewal license fee, a fee:

42 (a) For a dealer's, distributor's or manufacturer's original 43 license, or for any original limited dealer's license which authorizes 44 a limited dealer to act as a repossessor or liquidator, of \$1,000.





1 (b) For a dealer's, distributor's or manufacturer's renewal 2 license, or a renewal of any limited dealer's license which 3 authorizes a limited dealer to act as a repossessor or liquidator, of 4 \$600.

5

(c) For an original or renewal license for:

6 (1) A general serviceperson , *limited serviceperson* or 7 specialty serviceperson, of \$150.

8 9

24

(2) A salesperson, of \$75.

(3) A responsible managing employee, of \$100.

10 \rightarrow Except as otherwise provided in NRS 489.265, fees collected 11 pursuant to this section must be deposited in the State Treasury for 12 credit to the Account.

3. A payment from the Account to satisfy the claim of a purchaser specified in subsection 1 against a person who is licensed pursuant to this chapter must be made only upon an appropriate court order that is issued in an action for fraud, misrepresentation or deceit relating to an act for which a license is required pursuant to this chapter.

4. If a purchaser specified in subsection 1 commences an action specified in subsection 3 against a person who is licensed pursuant to this chapter, the purchaser must serve a copy of the complaint upon the Administrator within 30 days after the action is commenced.

Sec. 18. NRS 489.501 is hereby amended to read as follows:

25 489.501 1. When a new manufactured home, new mobile 26 home [, new manufactured building] or new commercial coach [or 27 new factory-built housing] is sold in this State by a dealer, the dealer 28 shall complete a report of sale. The report of sale must be in a form 29 prescribed by the Division and include a description of the manufactured home, mobile home [, manufactured building,] or 30 31 commercial coach, for factory-built housing, the name and address 32 of the seller and the name and address of the buyer. If in connection 33 with the sale a security interest is taken or retained by the seller or dealer to secure all or part of the purchase price, or a security 34 35 interest is taken by a person who gives value to enable the buyer to acquire rights in the manufactured home, mobile home $\frac{1}{2}$ 36 manufactured building,] or commercial coach, [or factory-built 37 38 housing,] the name and address of the secured party or an assignee 39 thereof must be entered on the report of sale.

40 2. The dealer shall require the buyer sign to an 41 acknowledgment of taxes, on a form prescribed by the Division, 42 which includes a statement that a manufactured home, mobile home [, manufactured building] or commercial coach [or factory-built 43 44 housing] is taxable in the county in which it is located. A dealer who 45 sells a new manufactured home, new mobile home [, new





1 manufactured building] or new commercial coach [or new factorybuilt housing] shall deliver the buyer's copy of the acknowledgment of taxes to the buyer at the time of sale and submit another copy within 30 days after the date of the sale to the county assessor of the county in which the manufactured home, mobile home [, manufactured building,] or commercial coach [or factory built housing] will be located.

8 3. The dealer shall submit the original of the report of sale and 9 the manufacturer's certificate or statement of origin to the Division 10 within 30 days after the execution of all instruments which the 11 contract of sale required to be executed at the time of sale or within 12 30 days after the date of sale, whichever is later, unless an extension 13 of time is granted by the Division.

14 A dealer who sells a new manufactured home, new mobile 4. 15 home [, new manufactured building] or new commercial coach [or 16 new factory-built housing] shall deliver the buyer's copy of the 17 report of sale to the buyer at the time of sale and submit another 18 copy within 30 days after the date of the sale to the county assessor 19 of the county in which the manufactured home, mobile home 20 manufactured building,] or commercial coach [or factory-built housing] will be located. 21

22

Sec. 19. NRS 489.511 is hereby amended to read as follows:

23 489.511 1. If a used or rebuilt manufactured home, mobile 24 home [, manufactured building] or commercial coach [or used or 25 rebuilt factory-built housing] is sold in this State by a dealer, the 26 dealer shall complete a dealer's report of sale. The report must be in 27 a form prescribed by the Division and include a description of the 28 manufactured home, mobile home [, manufactured building,] or 29 commercial coach, [or factory built housing,] the name and address 30 of the seller and the name and address of the buyer. If a security 31 interest exists at the time of the sale, or if in connection with the sale 32 a security interest is taken or retained by the seller or dealer to 33 secure all or part of the purchase price, or a security interest is taken by a person who gives value to enable the buyer to acquire rights in 34 35 the manufactured home, mobile home [, manufactured building,] or commercial coach, for factory built housing, the name and address 36 37 of the secured party must be entered on the dealer's report of sale.

38 The dealer shall submit the original of the dealer's report of 2. 39 sale to the Division within 45 days after the execution of all instruments which the contract of sale requires to be executed at the 40 41 time of the sale, unless an extension of time is granted by the 42 Division, together with the endorsed certificate of title or certificate of ownership previously issued. The dealer shall furnish one copy of 43 44 the report of sale to the buyer at the time of the sale. Within 45 days 45 after the sale, the dealer shall furnish one copy of the report of sale





to the assessor of the county in which the manufactured home,
mobile home [, manufactured building,] or commercial coach [or
factory built housing] will be located.

4 3. The dealer shall require the buyer to sign an 5 acknowledgment of taxes, on a form prescribed by the Division, 6 which includes a statement that the manufactured home, mobile 7 home [, manufactured building,] or commercial coach [or factory-8 built housing] is taxable in the county in which it is located. The 9 dealer shall deliver the buyer's copy of the acknowledgment to the buyer at the time of sale and submit another copy to the county 10 11 assessor of the county in which the manufactured home, mobile 12 home [, manufactured building,] or commercial coach [or factory-13 built housing] is to be located.

14 4. If a used or rebuilt manufactured home, mobile home $\frac{1}{4}$ 15 manufactured building] or commercial coach [or used or rebuilt 16 factory-built housing] is sold by a dealer pursuant to an installment contract or other agreement by which the certificate of title or 17 certificate of ownership does not pass immediately from the seller to 18 the buyer upon the sale, the dealer shall submit to the Division any 19 20 information required by the regulations adopted by the 21 Administrator pursuant to NRS 489.272.

22

Sec. 20. NRS 489.521 is hereby amended to read as follows:

23 489.521 1. If a used or rebuilt manufactured home, mobile home [, manufactured building] or commercial coach [or used or 24 25 rebuilt factory built housing] is sold in this State by a person who is not a dealer, the seller or buyer, or both, shall submit to the 26 27 Division, and a copy to the county assessor of the county in which the manufactured home, mobile home [, manufactured building,] or 28 29 commercial coach [or factory-built housing] is located, within 45 30 days after the sale:

(a) If a certificate of ownership has been issued in this State, thatcertificate properly endorsed.

(b) If a certificate of title or other document of title has beenissued by a public authority of another state, territory or country:

35

(1) The certificate or document properly endorsed; and

(2) A statement showing, if not included on the endorsed
certificate or document, the description of the manufactured home,
mobile home [, manufactured building,] or commercial coach , [or
factory built housing,] the names and addresses of the buyer and
seller, and the name and address of any person who takes or retains
a purchase money security interest. The statement must be signed
and acknowledged by the seller and buyer.

43 (c) If a document of title has not been issued by any public 44 authority, a statement showing all the information and signed and





1 acknowledged in the manner required by subparagraph (2) of 2 paragraph (b).

3 2. If a used or rebuilt manufactured home, mobile home $\frac{1}{12}$ 4 manufactured building] or commercial coach [or used or rebuilt 5 factory-built housing] is sold by a person who is not a dealer 6 pursuant to an installment contract or other agreement by which the 7 certificate of title or certificate of ownership does not pass 8 immediately from the seller to the buyer upon the sale, the seller or buyer, or both, shall submit to the Division any information required 9 by the regulations adopted by the Administrator pursuant to 10 NRS 489.272. 11

12

Sec. 21. NRS 489.541 is hereby amended to read as follows:

489.541 1. Except as otherwise provided in subsections 4 and
5, upon receipt of the documents required by the Division, the
Division shall issue a certificate of ownership.

16 2. If no security interest is created or exists in connection with 17 the sale, the certificate of ownership must be issued to the buyer.

18 3. If a security interest is created by the sale, the certificate of 19 ownership must be issued to the secured party or an assignee 20 thereof, and must show the name of the registered owner.

4. The Division shall not issue a certificate of ownership for a mobile home that has been determined to be substandard until the conditions that rendered the mobile home substandard are abated.

5. The Division shall not issue a certificate of title or certificate of ownership for [factory built] :

(a) A mobile or manufactured home that is converted to real
 property pursuant to subsection 2 or 5 of NRS 361.244; or

(b) Factory-built housing that constitutes real property pursuant
 to subsection 4 of NRS 361.244.

30

Sec. 22. NRS 489.716 is hereby amended to read as follows:

31 489.716 1. A dealer of new manufactured homes who is 32 licensed pursuant to chapter 624 of NRS may enter into written 33 agreements pursuant to which appropriately licensed providers of 34 service agree to perform work pertinent to the sale, installation and 35 occupancy of a manufactured home. If such a dealer enters into such 36 a written agreement, the dealer is responsible for the workmanship 37 and completion of all parts of the project involving the sale, installation and occupancy of the manufactured home, including, 38 without limitation, any work performed by a provider of service 39 40 pursuant to the written agreement.

2. A dealer of manufactured homes, regardless of whether the
dealer is licensed pursuant to chapter 624 of NRS, shall not require a
buyer of a manufactured home to obtain services to be performed
pertinent to the sale, installation or occupancy of the manufactured
home from a specific provider. The dealer shall disclose to the buyer





in writing the fact that the dealer is prohibited from requiring thebuyer to obtain such services from a specific provider of services.

3. Before performing any work, a provider of services shall 3 4 enter into a written agreement with each person for whom the provider of services will perform work which is pertinent to the sale, 5 6 installation, [or] occupancy or repair of a manufactured home, including, without limitation, a dealer of manufactured homes, a 7 8 person who owns a manufactured home and any person who is 9 purchasing a manufactured home. The written agreement must 10 include provisions specifying:

11 (a) The scope of work;

(b) The cost for completion of the work;

(c) The date on which work will begin;

13 14

12

(d) The anticipated date for completion of the work; and

15 (e) That no additional work may be performed and no additional 16 costs may be charged unless agreed to in writing before the 17 additional work is performed or costs are incurred.

4. As used in this section, "provider of services" means any
person who performs work pertinent to the sale, installation, [and]
occupancy *or repair* of a [new] manufactured home.

21

35

Sec. 23. NRS 489.723 is hereby amended to read as follows:

489.723 1. Any money that a dealer receives from a client or other person concerning the sale or exchange of an interest in a manufactured home, mobile home, manufactured building or commercial coach or factory-built housing must be accounted for by the dealer when:

(a) The sale or exchange of the interest in the manufactured
home, mobile home, manufactured building, commercial coach or
factory-built housing is executed; or

(b) The contract for the sale or exchange of the interest in the
manufactured home, mobile home, manufactured building,
commercial coach or factory-built housing is rescinded by the
dealer, client or any other person,

34 \blacktriangleright whichever occurs earlier.

2. The dealer shall:

(a) Prepare or cause to be prepared a written itemized statement
 concerning each expenditure or deduction of money made by the
 dealer;

(b) Deliver or cause to be delivered to each person from whom
the dealer received money a copy of the written itemized statement;
and

42 (c) Maintain a copy of the written itemized statement at the 43 dealer's place of business.

44 3. Except as otherwise provided in a brokerage agreement or an 45 escrow agreement signed by the parties to a sale or exchange of an





interest in a manufactured home, mobile home, manufactured 1 2 building or commercial coach or factory-built housing and the escrow agent or escrow officer licensed pursuant to the provisions 3 of chapter 645A or 692A of NRS, no money concerning that sale or 4 5 exchange held by a dealer may be distributed until:

6

7 (1) A certificate of ownership for the manufactured home, 8 mobile home [, manufactured building,] or commercial coach; for 9 factory-built housing;] or

10 (2) A certificate of title or certificate of ownership that does 11 not pass immediately upon the sale or transfer of the manufactured 12 home, mobile home [, manufactured building,] or commercial coach 13 , [or factory-built housing,]

14 \rightarrow has been submitted to the Division:

(a) An application for:

15 (b) Each person who has a financial interest in the manufactured 16 home, mobile home, manufactured building, commercial coach or 17 factory-built housing has executed a document that releases or 18 waives the person's interest; and

19 (c) Each party to the sale or exchange has complied with the requirements for the sale or exchange that are set forth in the 20 21 regulations adopted pursuant to the provisions of this chapter.

22

Sec. 24. NRS 489.731 is hereby amended to read as follows:

23 489.731 Unless further restricted by a local ordinance, if more 24 than 80 percent of the lots in the park where it is situated are 25 occupied, it is unlawful for a dealer, general serviceperson, *limited* 26 *serviceperson*, specialty serviceperson or salesperson to rent or lease 27 a vacant mobile home lot unless:

28 1. Within 60 days he or she takes up residence in a 29 manufactured home or mobile home placed upon the lot; or 30

He or she releases the lot to a qualified tenant. 2.

31 → After the expiration of 60 days after the date of rental of the lot to 32 the dealer, general serviceperson, *limited serviceperson*, specialty 33 serviceperson or salesperson, any qualified tenant is entitled, upon 34 written request to the landlord, to obtain release of the lot. 35

Sec. 25. NRS 489.811 is hereby amended to read as follows:

36 489.811 1. Except as otherwise provided in subsection 5, any 37 person who violates any of the provisions of this chapter is liable to the State for a civil penalty of not more than \$1,000 for each 38 39 violation. Each violation of this chapter or any regulation or order 40 issued under it constitutes a separate violation with respect to each 41 manufactured home, mobile home, manufactured building, 42 commercial coach or factory-built housing and with respect to each failure or refusal to allow or perform an act required by this chapter 43 44 or regulation or order, except that the maximum civil penalty is





\$1,000,000 for any related series of violations occurring within
 1 year after the first violation.

2. Before the adoption of any regulation for whose violation a civil penalty may be imposed, the Administrator shall give at least 30 days' written notice to every licensed manufacturer, dealer, distributor, general serviceperson, *limited serviceperson* and specialty serviceperson, and every other interested party who has requested the notice.

9 3. An action to enforce a civil penalty must be brought in a 10 court of competent jurisdiction in the county in which the defendant 11 has his or her principal place of business.

4. All money collected as civil penalties pursuant to theprovisions of this chapter must be deposited in the State GeneralFund.

15 5. This section does not apply to a manufacturer, distributor or 16 dealer of travel trailers.

17 Sec. 26. 1. This act becomes effective upon passage and 18 approval.

19 2. Sections 6 and 8 of this act expire by limitation on the date 20 on which the provisions of 42 U.S.C. § 666 requiring each state to 21 establish procedures under which the state has authority to withhold 22 or suspend, or to restrict the use of professional, occupational and 23 recreational licenses of persons who:

(a) Have failed to comply with a subpoena or warrant relating to
a proceeding to determine the paternity of a child or to establish or
enforce an obligation for the support of a child; or

(b) Are in arrears in the payment for the support of one or more children,

29 \rightarrow are repealed by the Congress of the United States.



