

DISCLAIMER

Electronic versions of the exhibits in these minutes may not be complete.

This information is supplied as an informational service only and should not be relied upon as an official record.

Original exhibits are on file at the Legislative Counsel Bureau Research Library in Carson City.

Contact the Library at (775) 684-6827 or library@lcb.state.nv.us.



April 29, 2003

My name is Gub Mix and I am executive director of the Nevada Manufactured Housing Association, a statewide trade group representing nearly all businesses involved in the factory-built housing industry.

I appear before you today to seek your approval of AB 262. It contains three items of importance to our membership. On page 2, we are asking that in cases where local jurisdictions fail or refuse to inspect installations and provide certificates of occupancy for factory-built housing or manufactured buildings, that the Division of Manufactured Housing be given this authority. Since the last legislative session, Washoe County on several occasions has refused to issue a C of O to purchasers of modular homes even after selling the buyer a permit and doing an inspection. This apparently comes from the Legislature in 2001 specifying that the Division of Manufactured Housing would be the sole approver of modular or factory-built housing plans. The 400,000 county population figure was added in the Assembly at the request of Clark County who evidently took offense with the thought that anyone would suggest that they would not perform their duty.

Freddie Mac and Fannie Mae have created a new mortgage financing product designed for manufactured homes sited in rental communities under a long-term lease. A requirement of this program is that the manufactured home, so sited, be converted to real property to qualify for mortgage financing. Current Nevada law dealing with conversions to real property requires the land ownership and home ownership be in the same person's name. The language on page 3 would specify how this change would work and make available low interest rate financing for potential residents of manufactured housing rental communities that offer qualifying long-term leases. The change on page 5 provides penalties for any individual who converts, then decides for any reason to remove the home without following proper procedures.

Nevada law currently does not allow a retailer of new manufactured homes to hire properly licensed contractors to perform work required in the sale of a home. The consumer can hire these contractors directly, or the dealer can hire a general contractor, who then in turn, hires the sub-contractors. This is an added expense to the consumer. Nevada law also says that if the written sales agreement includes items that a licensed contractor must do, then the dealer is 100% responsible for the satisfaction of the customer for all work done by the subs, even though he didn't hire them. The change, shown on pages 5 and 6, would allow a dealer of new manufactured homes to hire properly licensed contractors to perform any job required on the written purchase agreement with the customer. It spells out that the dealer is responsible for the workmanship and completion of this work, and requires that the dealer provide a written disclosure to the customer that prohibits the dealer from requiring certain service providers.