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FIRST REPRINT

A.B. 184

ASSEMBLY BILL NO. 184—ASSEMBLYMEN OHRENSCHALL,
BUCKLEY, MANENDO, CHOWNING, GIUNCHIGLIANI,
ANDERSON, LESLIE AND PIERCE

FEBRUARY 24, 2003

Referred to Committee on Commerce and Labor

SUMMARY—Creates state board to review certain increases in rent relating to manufactured home parks. (BDR 10-386)

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

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

AN ACT relating to manufactured home parks; creating the Manufactured Home Park Rent Review Board within the Manufactured Housing Division of the Department of Business and Industry; prescribing the powers and duties of the Board; prohibiting certain persons from imposing an increase in rent unless the increase has been approved by the Board; and providing other matters properly relating thereto.

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

- 1 **Section 1.** Chapter 118B of NRS is hereby amended by adding
- 2 thereto the provisions set forth as sections 2 to 8, inclusive, of this
- 3 act.
- 4 **Sec. 2.** *As used in sections 2 to 8, inclusive, of this act, unless*
- 5 *the context otherwise requires, the words and terms defined in*
- 6 *sections 3 and 4 of this act have the meanings ascribed to them in*
- 7 *those sections.*
- 8 **Sec. 3.** *“Board” means the Manufactured Home Park Rent*
- 9 *Review Board created by section 5 of this act.*
- 10 **Sec. 4.** *“Rent” means the consideration, including, without*
- 11 *limitation, money and deposits, demanded or paid for the use of a*



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1 manufactured home lot. The term does not include an amount of
2 money paid for:

- 3 1. The use of the manufactured home; or
- 4 2. Water, gas, electricity or any other utility service that is
5 metered and billed separately to the tenant.

6 **Sec. 5. 1. The Manufactured Home Park Rent Review**
7 **Board is hereby created within the Division.**

8 2. The Board consists of five members who are appointed by
9 the Administrator as follows:

- 10 (a) Two members representing landlords;
- 11 (b) Two members representing tenants; and
- 12 (c) One member who is an economic expert on rent at
13 manufactured home parks, as determined by the Administrator.

14 3. After the initial appointments, the term of each member
15 appointed to the Board is 3 years. The Administrator may remove
16 a member of the Board for good cause. A vacancy on the Board
17 must be filled for the remainder of the unexpired term in the same
18 manner as the original appointment. A member may be
19 reappointed to the Board.

20 4. The members of the Board are not entitled to be paid a
21 salary, except that the members are entitled to receive the per diem
22 allowance and travel expenses provided for state officers and
23 employees generally while engaged in the official business of the
24 Board.

25 5. The Administrator shall serve ex officio as a nonvoting
26 member of the Board.

27 6. The Administrator shall provide the Board with
28 administrative and clerical support and with such other assistance,
29 including, without limitation, making arrangements for facilities,
30 equipment and other services in preparation for meetings, as may
31 be necessary for the Board to carry out its duties pursuant to
32 sections 2 to 8, inclusive, of this act.

33 **Sec. 6. 1. The voting members of the Board shall:**

34 (a) Elect a Chairman from among their membership. The term
35 of the Chairman is 1 year. If a vacancy occurs in the
36 Chairmanship, the vacancy must be filled for the remainder of the
37 unexpired term in the same manner as the original selection.

38 (b) Except as otherwise provided in sections 2 to 8, inclusive,
39 of this act, conduct its business in accordance with Mason's
40 Manual of Legislative Procedure.

41 (c) Review and approve or disapprove applications for
42 approval of rent increases pursuant to section 7 of this act.

43 2. The Board may borrow a copy of Mason's Manual of
44 Legislative Procedure from the Division of State Library and



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1 *Archives of the Department of Cultural Affairs for use by the*
2 *Board.*

3 3. A majority of the voting members of the Board constitutes
4 a quorum. A quorum may exercise all the power and authority
5 conferred on the Board.

6 **Sec. 7. 1.** A landlord may not increase rent unless:

7 (a) The amount of the rent after the increase will be \$350 per
8 month or less; or

9 (b) Pursuant to this section:

10 (1) The landlord submits an application for approval of the
11 increase in rent; and

12 (2) The Board approves the increase in rent.

13 2. An application for approval of an increase in rent must
14 include, without limitation:

15 (a) The amount of the current rent;

16 (b) The amount by which the landlord proposes to increase the
17 rent;

18 (c) The reason for the proposed increase;

19 (d) The name and mailing address of each tenant whose rent
20 the landlord proposes to increase; and

21 (e) Any other information that the Board determines to be
22 necessary.

23 3. The Board shall, not later than 10 days after receiving the
24 application:

25 (a) Set a date for a public hearing. The date of the public
26 hearing must not be more than 40 days after the date on which the
27 Board receives the application.

28 (b) Determine a meeting site. The meeting site must be the
29 community or recreational facility of the park affected by the
30 proposed increase in rent. If the affected park does not have a
31 community or recreational facility suitable to serve as a meeting
32 site, then the Board shall determine an alternative meeting site.

33 (c) Provide written notice of the public hearing to the landlord
34 and to each tenant whose rent the landlord proposes to increase.
35 The notice must include, without limitation:

36 (1) The date of the public hearing;

37 (2) The time of the public hearing;

38 (3) The place of the public hearing;

39 (4) The purpose of the public hearing; and

40 (5) Any other information that the Board determines to be
41 necessary.

42 4. In reviewing the application, the Board shall consider,
43 without limitation:

44 (a) The operating expenses of the manufactured home park;

45 (b) The current rent;



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1 (c) The debt service, including, without limitation, the debt
2 service for capital improvements to the manufactured home park;
3 and

4 (d) A reasonable rate of return on investment by the owner of
5 the manufactured home park.

6 5. The Administrator shall, in consultation with the Board,
7 adopt regulations that establish the procedure the Board shall
8 follow in reviewing such an application for an increase in rent.

9 6. Not later than 20 days after the public hearing, the Board
10 shall:

11 (a) Approve or disapprove the application in whole or in part;
12 and

13 (b) Provide written notice of its decision to the landlord and to
14 each tenant whose rent the landlord proposed to increase, which
15 must include, without limitation:

16 (1) The reason for the decision; and

17 (2) If the Board approves the application, the amount of the
18 increase in rent that the Board approved.

19 7. The decision of the Board to approve or disapprove an
20 application for an increase in rent is a final decision for the
21 purposes of judicial review.

22 8. The provisions of this section do not apply to a corporate
23 cooperative park.

24 **Sec. 8.** The Administrator shall adopt such regulations as are
25 necessary to carry out the provisions of sections 2 to 8, inclusive,
26 of this act.

27 **Sec. 9.** NRS 118B.140 is hereby amended to read as follows:

28 118B.140 1. Except as otherwise provided in ~~subsection 2,~~
29 ~~subsections 2 and 3,~~ the landlord or his agent or employee shall not:

30 (a) Require a person to purchase a manufactured home from him
31 or any other person as a condition to renting a manufactured home
32 lot to the purchaser or give an adjustment of rent or fees, or provide
33 any other incentive to induce the purchase of a manufactured home
34 from him or any other person.

35 (b) Charge or receive:

36 (1) Any entrance or exit fee for assuming or leaving
37 occupancy of a manufactured home lot.

38 (2) Any transfer or selling fee or commission as a condition
39 to permitting a tenant to sell his manufactured home or recreational
40 vehicle within the manufactured home park, even if the
41 manufactured home or recreational vehicle is to remain within the
42 park, unless the landlord is licensed as a dealer of manufactured
43 homes pursuant to NRS 489.311 and has acted as the tenant's agent
44 in the sale pursuant to a written contract.

45 (3) Any fee for the tenant's spouse or children.



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1 (4) Any fee for pets kept by a tenant in the park. If special
2 facilities or services are provided, the landlord may also charge a fee
3 reasonably related to the cost of maintenance of the facility or
4 service and the number of pets kept in the facility.

5 (5) Any additional service fee unless the landlord provides an
6 additional service which is needed to protect the health and welfare
7 of the tenants, and written notice advising each tenant of the
8 additional fee is sent to the tenant 90 days in advance of the first
9 payment to be made, and written notice of the additional fee is given
10 to prospective tenants on or before commencement of their tenancy.
11 A tenant may only be required to pay the additional service fee for
12 the duration of the additional service.

13 (6) Any fee for a late monthly rental payment within 4 days
14 after the date the rental payment is due or which exceeds \$5 for each
15 day, excluding Saturdays, Sundays and legal holidays, which the
16 payment is overdue, beginning on the day after the payment was
17 due. Any fee for late payment of charges for utilities must be in
18 accordance with the requirements prescribed by the Public Utilities
19 Commission of Nevada.

20 (7) Any fee, surcharge or rent increase to recover from his
21 tenants the costs resulting from converting from a master-metered
22 water system to individual water meters for each manufactured
23 home lot.

24 (8) Any fee, surcharge or rent increase to recover from his
25 tenants any amount that exceeds the amount of the cost for a
26 governmentally mandated service or tax that was paid by the
27 landlord.

28 2. Except for the provisions of subparagraphs (3), (4), (6) and
29 (8) of paragraph (b) of subsection 1, the provisions of this section do
30 not apply to a corporate cooperative park.

31 **3. A fee or other charge allowed pursuant to this section must**
32 **not be used to circumvent the provisions of section 7 of this act.**

33 **Sec. 10.** NRS 118B.150 is hereby amended to read as follows:
34 118B.150 1. Except as otherwise provided in subsection 2,
35 the landlord or his agent or employee shall not:

36 (a) Increase rent or additional charges unless:

37 (1) The rent charged after the increase ~~is~~ :

38 **(i) Is** the same rent charged for manufactured homes of
39 the same size or lots of the same size or of a similar location within
40 the park, including, without limitation, manufactured homes and lots
41 which are held pursuant to a long-term lease, except that a discount
42 may be selectively given to persons who:

43 ~~(i)~~ **(i)** Are handicapped;

44 ~~(ii)~~ **(ii)** Are 55 years of age or older;



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1 ~~[(iii)]~~ (iii) Are long-term tenants of the park if the
2 landlord has specified in the rental agreement or lease the period of
3 tenancy required to qualify for such a discount;

4 ~~[(iv)]~~ (iv) Pay their rent in a timely manner; or
5 ~~[(v)]~~ (v) Pay their rent by check, money order or
6 electronic means; **and**

7 **(II) Has been approved pursuant to section 7 of this act**
8 **by the Manufactured Home Park Rent Review Board, if required;**

9 (2) Any increase in additional charges for special services is
10 the same amount for each tenant using the special service; and

11 (3) Written notice advising a tenant of the increase is
12 received by the tenant 90 days before the first payment to be
13 increased and written notice of the increase is given to prospective
14 tenants before commencement of their tenancy. In addition to the
15 notice provided to a tenant pursuant to this subparagraph, if the
16 landlord or his agent or employee knows or reasonably should know
17 that the tenant receives assistance from the fund created pursuant to
18 NRS 118B.215, the landlord or his agent or employee shall provide
19 to the Administrator written notice of the increase 90 days before
20 the first payment to be increased.

21 (b) Require a tenant to pay for an improvement to the common
22 area of a manufactured home park unless the landlord is required to
23 make the improvement pursuant to an ordinance of a local
24 government.

25 (c) Require a tenant to pay for a capital improvement to the
26 manufactured home park unless the tenant has notice of the
27 requirement at the time he enters into the rental agreement. A tenant
28 may not be required to pay for a capital improvement after the
29 tenant enters into the rental agreement unless the tenant consents to
30 it in writing or is given 60 days' notice of the requirement in
31 writing. The landlord may not establish such a requirement unless a
32 meeting of the tenants is held to discuss the proposal and the
33 landlord provides each tenant with notice of the proposal and
34 the date, time and place of the meeting not less than 60 days before
35 the meeting. The notice must include a copy of the proposal. A
36 notice in a periodic publication of the park does not constitute notice
37 for the purposes of this paragraph.

38 (d) Require a tenant to pay his rent by check or money order.

39 (e) Require a tenant who pays his rent in cash to apply any
40 change to which he is entitled to the next periodic payment that is
41 due. The landlord or his agent or employee shall have an adequate
42 amount of money available to provide change to such a tenant.

43 (f) Prohibit or require fees or deposits for any meetings held in
44 the park's community or recreational facility by the tenants or
45 occupants of any manufactured home or recreational vehicle in the



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1 park to discuss the park's affairs, or any political or social meeting
2 sponsored by a tenant, if the meetings are held at reasonable hours
3 and when the facility is not otherwise in use, or prohibit the
4 distribution of notices of those meetings.

5 (g) Interrupt, with the intent to terminate occupancy, any utility
6 service furnished the tenant except for nonpayment of utility charges
7 when due. Any landlord who violates this paragraph is liable to the
8 tenant for actual damages.

9 (h) Prohibit a tenant from having guests, but he may require the
10 tenant to register the guest within 48 hours after his arrival, Sundays
11 and legal holidays excluded, and if the park is a secured park, a
12 guest may be required to register upon entering and leaving.

13 (i) Charge a fee for a guest who does not stay with the tenant for
14 more than a total of 60 days in a calendar year. The tenant of a
15 manufactured home lot who is living alone may allow one other
16 person to live in his home without paying an additional charge or
17 fee, unless such a living arrangement constitutes a violation of
18 chapter 315 of NRS. No agreement between a tenant and his guest
19 alters or varies the terms of the rental contract between the tenant
20 and the landlord, and the guest is subject to the rules and regulations
21 of the landlord.

22 (j) Prohibit a tenant from erecting a fence along the perimeter of
23 the tenant's lot if the fence complies with any standards for fences
24 established by the landlord, including limitations established for the
25 height of fences, the materials used for fences and the manner in
26 which fences are to be constructed.

27 (k) Prohibit any tenant from soliciting membership in any
28 association which is formed by the tenants who live in the park. As
29 used in this paragraph, "solicit" means to make an oral or written
30 request for membership or the payment of dues or to distribute,
31 circulate or post a notice for payment of those dues.

32 (l) Prohibit a public officer, candidate for public office or the
33 representative of a public officer or candidate for public office from
34 walking through the park to talk with the tenants or distribute
35 political material.

36 (m) If a tenant has voluntarily assumed responsibility to trim the
37 trees on his lot, require the tenant to trim any particular tree located
38 on the lot or dispose of the trimmings unless a danger or hazard
39 exists.

40 2. The provisions of paragraphs (a), (b), (c), (j) and (m) of
41 subsection 1 do not apply to a corporate cooperative park.

42 3. As used in this section, "long-term lease" means a rental
43 agreement or lease the duration of which exceeds 12 months.



- 1 **Sec. 11.** On or before June 15, 2003, the Administrator of the
2 Manufactured Housing Division of the Department of Business and
3 Industry shall appoint to the Manufactured Home Park Rent Review
4 Board created by section 5 of this act:
- 5 1. One member representing landlords whose term expires on
6 June 30, 2004;
- 7 2. One member representing landlords whose term
8 expires on June 30, 2005;
- 9 3. One member representing tenants whose term expires
10 June 30, 2004;
- 11 4. One member representing tenants whose term expires
12 June 30, 2005; and
- 13 5. One member who is an economic expert on rent at
14 manufactured home parks, as determined by the Administrator of
15 the Manufactured Housing Division of the Department of Business
16 and Industry, whose term expires on June 30, 2004.
- 17 **Sec. 12.** 1. This act becomes effective upon passage and
18 approval for the purposes of appointing members to the
19 Manufactured Home Park Rent Review Board and adopting
20 regulations, and on October 1, 2003, for all other purposes.
- 21 2. This act expires by limitation on September 30, 2007.

