ASSEMBLY BILL NO. 427-COMMITTEE ON GOVERNMENT AFFAIRS

MARCH 25, 2005

Referred to Committee on Commerce and Labor

SUMMARY—Makes various changes relating to manufactured homes, mobile homes and commercial coaches. (BDR 43-191)

FISCAL NOTE: Effect on Local Government: Increases or Newly
Provides for Term of Imprisonment in County or City
Jail or Detention Facility.

Effect on the State: No.

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

AN ACT relating to housing; requiring each established place of business of a dealer, manufacturer, general serviceman or specialty serviceman to include name of the business and to conform to certain other requirements; authorizing the Administrator of the Manufactured Housing Division of the Department of Business and Industry to issue a cease and desist order against a licensee under certain circumstances; deleting the provisions that require a person to obtain a license before engaging in the business of a rebuilder, serviceman or installer of manufactured homes, mobile homes or commercial coaches; prohibiting a person from engaging in the business of a general serviceman or specialty serviceman without a license to engage in that business issued by the Division; subjecting a licensee to disciplinary action for failing to use certain forms for the sale and listing for sale of a manufactured home, mobile home or commercial coach; providing a penalty; and providing other matters properly relating thereto



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 thereto the provisions set forth as sections 2 to 8, inclusive, of this act.
 - Sec. 2. 1. "General serviceman" means a person who owns or is the responsible managing employee of a business which:
 - (a) Installs or repairs the awnings, roofing, skirting, plumbing, heating or electrical systems of a manufactured home, mobile home or commercial coach;
 - (b) Installs, removes or tears down a manufactured home, mobile home or commercial coach at the site where it will be or has been used for occupancy; or
 - (c) Reconstructs a manufactured home, mobile home or commercial coach by the alteration, addition or substitution of substantial or essential parts.
 - 2. The term does not include:

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- (a) A licensed manufacturer engaged in the repair or service of a manufactured home manufactured by the licensed manufacturer;
- (b) The owner or purchaser of a manufactured home or mobile home who uses the manufactured home or mobile home as his private residence; or
- (c) The owner or purchaser of a commercial coach who uses the commercial coach for his private business use.
- Sec. 3. "Specialty serviceman" means a person who owns or is the responsible managing employee of a business which is limited in the scope of the work it may perform on or in a manufactured home, mobile home or commercial coach in accordance with NRS 489.325. The term does not include:
- 29 1. A licensed manufacturer engaged in the repair or service 30 of a manufactured home manufactured by the licensed 31 manufacturer; or
- 2. The owner or purchaser of a manufactured home or mobile home who uses the manufactured home or mobile home as his private residence.
 - Sec. 4. Each established place of business, including each branch office of that business, must display a sign that:
- 37 1. Includes the name under which business is conducted 38 pursuant to a license issued pursuant to this chapter; and
- 39 2. Conforms to any regulations adopted by the Division 40 relating to the size and placement of the sign.



Sec. 5. 1. A license issued pursuant to this chapter must not be used for any purpose by any person other than the person to whom the license is issued.

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- 2. The holder of such a license shall not assign, transfer or otherwise authorize the use of the license by any other person.
- 3. A violation of this section by the holder of the license is cause for the automatic cancellation and revocation of the license.
- Sec. 6. 1. The Administrator or his designee shall issue an order to cease and desist to any person:
 - (a) Acting as a licensee, including, without limitation, commencing work as a licensee; or
 - (b) Submitting a bid on a job located in this State,
 - without having a license issued pursuant to this chapter. The order must be served personally or by certified mail and is effective upon receipt.
- 2. If it appears that any person has engaged in acts or practices which constitute a violation of this chapter or the violation of an order issued pursuant to subsection 1, the Administrator may request the Attorney General, the district attorney of the county in which the alleged violation occurred or the district attorney of any other county in which that person maintains a place of business or resides, to apply on behalf of the Administrator to the district court for an injunction restraining the person from acting in violation of this chapter. Upon a proper showing, a temporary restraining order, a preliminary injunction or a permanent injunction may be granted. The Administrator, as plaintiff in the action, is not required to prove any irreparable injury.
- 3. In seeking injunctive relief against any person for an alleged violation of this chapter, it is sufficient to allege that the person did, upon a certain day and in a certain county of this State:
- 33 (a) Act as a licensee, including, without limitation, commencing work as a licensee; or 34 35
 - (b) Submit a bid on a job located in this State,
 - without having a license issued pursuant to this chapter, without alleging any further or more particular facts concerning the matter.
 - 4. The issuance of a restraining order or an injunction does not relieve the person against whom the restraining order or injunction is issued from criminal prosecution for practicing without a license.
- If the court finds that a person willfully violated an order 44 issued pursuant to subsection 1, it shall impose a fine of not less than \$250 nor more than \$1,000 for each violation of the order.



- 1 Sec. 7. 1. It is unlawful for any person or combination of 2 persons to:
 - (a) Engage in the business or act in the capacity of a licensee within this State; or
 - (b) Submit a bid on a job located within this State,

- without having a license issued pursuant to this chapter, unless that person or combination of persons is exempt from licensure pursuant to this chapter.
- 2. The district attorneys in this State shall prosecute all violations of this section which occur in their respective counties, unless the violations are prosecuted by the Attorney General. Upon the request of the Administrator, the Attorney General shall prosecute any violation of this section in lieu of prosecution by the district attorney.
- 3. In addition to any other penalty imposed pursuant to this chapter, a person who is convicted of violating subsection 1 may be required to pay:
 - (a) Court costs and the costs of prosecution;
- (b) Reasonable costs of the investigation of the violation to the Division;
- (c) Damages he caused as a result of the violation up to the amount of his pecuniary gain from the violation; or
 - (d) Any combination of paragraphs (a), (b) and (c).
- 4. If a person submits a bid or enters into a contract in violation of subsection 1, the bid or contract shall be deemed void.
- Sec. 8. 1. If any person violates the provisions of NRS 489.311 or subsection 1 of section 7 of this act, the Administrator may impose an administrative fine of not less than \$1,000 nor more than \$10,000 for each violation.
- 2. An administrative fine imposed pursuant to this section is in addition to any other penalty imposed pursuant to this chapter.
- 32 3. If the administrative fine is not paid when due, the fine 33 must be recovered in a civil action brought by the Attorney 34 General on behalf of the Administrator.
 35 4. All administrative fines collected pursuant to this section
 - 4. All administrative fines collected pursuant to this section must be deposited with the State Treasurer for credit to the Fund for Manufactured Housing created pursuant to NRS 489.491.
 - **Sec. 9.** NRS 489.031 is hereby amended to read as follows:
 - 489.031 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 489.036 to 489.155, inclusive, *and sections 2 and 3 of this act* have the meanings ascribed to them in those sections.
 - **Sec. 10.** NRS 489.137 is hereby amended to read as follows:
- 44 489.137 "Salesman" means any person employed by a dealer 45 [or rebuilder,] under any form of contract or arrangement to sell,



rent, lease, exchange or buy, or offer for sale, rental, lease or exchange, an interest in a manufactured home, mobile home or commercial coach to any person, and who receives or expects to receive a commission, fee or any other consideration from his employer.

Sec. 11. NRS 489.285 is hereby amended to read as follows:

- 489.285 1. The Division shall adopt regulations concerning continuing education requirements for [installers, rebuilders and] general servicemen and specialty servicemen of manufactured homes and mobile homes, and responsible managing employees and salesmen. The regulations must include the:
- (a) Criteria for determining what qualifies as continuing education;
 - (b) Criteria for approving educational and training programs;
 - (c) Requirements for submitting evidence of completion; and
- (d) Grounds and procedures for granting an extension of time within which to comply with continuing education requirements.
- 2. In adopting regulations pursuant to subsection 1, the Division shall:
- (a) Allow for alternative subjects, instructors, schools and sources of programs, with consideration for specialized areas of practice, availability and proximity of resources to the licensees and applicants, and the time and expense required to participate in the programs.
- (b) Approve courses offered by generally accredited educational institutions and private vocational schools if those courses otherwise qualify as continuing education.
- (c) Approve training and educational programs and seminars offered by:
 - (1) Individual sponsors;

- (2) Manufactured housing firms and businesses such as dealers, [installers, rebuilders,] general servicemen, specialty servicemen, manufacturers of manufactured homes and suppliers of the various components for constructing homes, including heating and air-conditioning systems, material for roofing and siding, skirting, awnings and other components;
 - (3) Professional and industry-related organizations; and
- (4) Other organized educational programs concerning technical or specialized subjects, including in-house training programs offered by an employer for his employees and participation in meetings and conferences of industry-related organizations.
- (d) Solicit advice and assistance from persons and organizations that are knowledgeable in the construction, sale, installation,



rebuilding and servicing of manufactured homes and the method of educating licensees.

- The Division is not responsible for the costs of any continuing education program, but may participate in the funding of those programs subject to legislative appropriations.
- As used in this section, "industry-related organizations" includes, without limitation, the:
 - (a) National Manufactured Housing Federation;
- 9 (b) Manufactured Housing Institute;
 - (c) Nevada Mobilehome Park
 - (b) Manufactured Home Community Owners Association;
 - (c) Nevada Association of Manufactured [Homeowners;
- 13 (e) Home Owners, Inc.;

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- (d) Nevada Association of Realtors: and
- (e) Any other organization approved by the Division.
- **Sec. 12.** NRS 489.305 is hereby amended to read as follows:
- 17 489.305 To open a branch office, a dealer, finstaller, rebuilder 18 or *general serviceman or specialty* serviceman, as the case may be, 19 must:
 - 1. Obtain a license from the Division to operate the branch office: and
 - Provide for direct supervision of the branch office, either by himself or by employing a responsible managing employee.
 - **Sec. 13.** NRS 489.311 is hereby amended to read as follows:
 - 489.311 Except as *otherwise* provided by NRS 489.331, no person may engage in the business of a dealer, manufacturer, [rebuilder,] general serviceman or [installer] specialty serviceman in this State, or be entitled to any other license or permit required by this chapter, until he has applied for and has been issued a license by the Division.
 - **Sec. 14.** NRS 489.321 is hereby amended to read as follows:
- An application for a manufacturer's, dealer's, 32 489.321 1. [rebuilder's,] general serviceman's or [installer's] specialty 33 serviceman's license must be filed upon forms supplied by the 34 35 Division and include the social security number of the applicant. The applicant must furnish: 36
- (a) Any proof the Division may deem necessary that the applicant is a manufacturer, dealer, [rebuilder,] general serviceman 38 39 or [installer.] specialty serviceman.
- (b) Any proof the Division may require that the applicant has an 40 41 established place of business.
 - (c) Any proof the Division may require of the applicant's good character and reputation and of his fitness to engage in the activities for which the license is sought.



- (d) A complete set of his 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 under this section.
- (e) In the case of a dealer in new manufactured homes, an instrument in the form prescribed by the Division executed by or on behalf of the manufacturer certifying that the applicant is an authorized franchise dealer for the make or makes concerned.
 - (f) A reasonable fee fixed by regulation.

- (g) In the case of a dealer, [rebuilder,] general serviceman or [installer,] specialty serviceman, proof of passing the examination required under NRS 489.351.
- (h) Any additional requirements the Division may from time to time prescribe by regulation.
- 2. Within 60 days after the receipt of a complete application, the Division shall issue or deny the license.
- 3. The Administrator may issue a provisional license pending receipt of the report from the Federal Bureau of Investigation. Upon receipt of the report and a determination by the Administrator that the applicant is qualified, the Division shall issue to the applicant a dealer's, manufacturer's, [installer's, rebuilder's] general serviceman's or specialty serviceman's license containing the applicant's name and the address of his fixed place of business.
- 4. Each license is valid for a period of 2 years [from] after the date of issuance and may be renewed for like consecutive periods upon application to and approval by the Division.
 - **Sec. 15.** NRS 489.321 is hereby amended to read as follows:
- 489.321 1. Applications for a manufacturer's, dealer's, [rebuilder's,] general serviceman's or [installer's] specialty serviceman's license must be filed upon forms supplied by the Division, and the applicant shall furnish:
- (a) Any proof the Division may deem necessary that the applicant is a manufacturer, dealer, [rebuilder,] general serviceman or [installer.] specialty serviceman.
- (b) Any proof the Division may require that the applicant has an established place of business.
- (c) Any proof the Division may require of the applicant's good character and reputation and of his fitness to engage in the activities for which the license is sought.
- (d) A complete set of his 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 respecting the fingerprints of an applicant under this section.

- (e) In the case of a dealer in new manufactured homes, an instrument in the form prescribed by the Division executed by or on behalf of the manufacturer certifying that the applicant is an authorized franchise dealer for the make or makes concerned.
 - (f) A reasonable fee fixed by regulation.

- (g) In the case of a dealer, [rebuilder,] general serviceman or [installer] specialty serviceman, proof of passing the examination required under NRS 489.351.
- (h) Any additional requirements the Division may from time to time prescribe by regulation.
- 2. Within 60 days after receipt of a complete application, the Division shall issue or deny the license.
- 3. The Administrator may issue a provisional license pending receipt of the report from the Federal Bureau of Investigation. Upon receipt of the report and a determination by the Administrator that the applicant is qualified, the Division shall issue to the applicant a dealer's, manufacturer's, [installer's, rebuilder's] general serviceman's or specialty serviceman's license certificate containing the applicant's name and the address of his fixed place of business.
- 4. Each license is valid for a period of 2 years **[from]** *after* the date of issuance and may be renewed for like consecutive periods upon application to and approval by the Division.

Sec. 16. NRS 489.323 is hereby amended to read as follows:

489.323 If a licensee is [an installer, rebuilder] a general serviceman or specialty serviceman of manufactured homes or mobile homes, or a responsible managing employee or salesman, the Division shall not renew a license issued to that licensee until the licensee has submitted proof satisfactory to the Division that he has, during the 2-year period immediately preceding the renewal of the license, completed at least 8 hours of continuing education approved by the Division pursuant to NRS 489.285.

Sec. 17. NRS 489.325 is hereby amended to read as follows:

489.325 1. The Administrator may adopt regulations which provide for the [creation of a subclass of licensure for] licensing of specialty servicemen. A person licensed as a [limited] specialty serviceman pursuant to this section must be limited in the scope of the work he may perform to installation or repair in one of the following categories:

- (a) Awnings, roofing or skirting;
- (b) Plumbing;



- (c) Heating and air-conditioning systems;
- (d) Electrical systems; or

- (e) Any other category that may be similarly licensed by the State Contractors' Board.
 - 2. The Administrator shall provide in those regulations for:
- (a) The imposition of reasonable fees for application, examination and licensure.
- (b) The creation and administration of a written or oral examination for each category of limited licensure.
- (c) Minimum qualifications for such a license, including, without limitation, the passage of the applicable examination.
- 3. A person who is licensed as a **[limited]** *specialty* serviceman shall comply with each statute and regulation which applies to *general* servicemen, including, without limitation, the payment of a fee required pursuant to subparagraph 1 of paragraph (c) of subsection 2 of NRS 489.4971.
 - **Sec. 18.** NRS 489.341 is hereby amended to read as follows:
- 489.341 1. A person shall not act as a salesman in this State or as a responsible managing employee for a person who sells, leases, reconstructs, improves, repairs or installs any manufactured home, mobile home or commercial coach 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:
- (a) An application, signed and verified by the applicant, stating that he desires to act as a salesman or responsible managing employee and providing his residential address, his social security number and the name and address of his 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.
- (c) Proof of the applicant's good character and reputation and of his fitness to act as a salesman or responsible managing employee.
- (d) A complete set of his 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.
- (e) A statement as to whether any previous application of the applicant has been denied or license revoked.
- 44 (f) Payment of a reasonable license fee established by 45 regulation.



- 1 (g) The applicant to have passed the examination required by 2 NRS 489.351.
 - (h) Any other information the Division deems necessary.

- 2. Within 60 days after the receipt of a complete application, the Division shall issue or deny the license.
- 3. The Administrator may issue a provisional license pending receipt of the report from the Federal Bureau of Investigation. Upon receipt of the report and a determination by the Administrator that the applicant is qualified, the Administrator shall issue to the applicant a license as a salesman or a responsible managing employee. The license must contain the licensee's name and the address of his employer's place of business.
- 4. Each license is valid for 2 years [from] after the date of issuance and may be renewed for like consecutive periods upon application 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, [rebuilder,] general serviceman or [installer.] specialty serviceman.
- 6. A license issued pursuant to this section may be transferred to another licensed employer upon application and the payment of a transfer fee of \$10. When a salesman or responsible managing employee holding a current license leaves the employment of one dealer, [rebuilder,] general serviceman or [installer] specialty serviceman for that of another, the new employer may employ the salesman or responsible managing employee pending the transfer of the license if the transfer is completed within 10 days.
- 7. A license issued pursuant to this section must be posted in a conspicuous place on the premises of the employer for whom the holder of the license is licensed.
- 8. If a salesman or responsible managing employee ceases to be employed by a licensed dealer, [rebuilder,] general serviceman or [installer,] specialty serviceman, his license to act as a salesman or responsible managing employee is automatically suspended and his right to act in that capacity immediately ceases, and he shall not engage in such an activity until reemployed by a licensed dealer, [rebuilder,] general serviceman or [installer.] specialty serviceman. Every licensed salesman and responsible managing employee shall report in writing to the Division every change in his place of employment or termination of employment within 5 days after the date of making the change.
 - **Sec. 19.** NRS 489.341 is hereby amended to read as follows:
- 489.341 1. A person shall not act as a salesman in this State or as a responsible managing employee for a person who sells, leases, reconstructs, improves, repairs or installs any manufactured



home, mobile home or commercial coach 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:

- (a) An application, signed and verified by the applicant, stating that he desires to act as a salesman or responsible managing employee and providing his residential address and the name and address of his 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.
- (c) Proof of the applicant's good character and reputation and of his fitness to act as a salesman or responsible managing employee.
- (d) A complete set of his 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 respecting the fingerprints of an applicant.
- (e) A statement as to whether any previous application of the applicant has been denied or license revoked.
- (f) Payment of a reasonable license fee established by regulation.
- (g) The applicant to have passed the examination required by NRS 489.351.
 - (h) Any other information the Division deems necessary.
- 2. Within 60 days after receipt of a complete application, the Division shall issue or deny the license.
- 3. The Administrator may issue a provisional license pending receipt of the report from the Federal Bureau of Investigation. Upon receipt of the report and a determination by the Administrator that the applicant is qualified, the Administrator shall issue to the applicant a license as a salesman or a responsible managing employee. The license must contain the licensee's name and the address of his employer's place of business.
- 4. Each license is valid for 2 years **[from]** *after* the date of issuance and may be renewed for like consecutive periods upon application 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, [rebuilder,] general serviceman or [installer.] specialty serviceman.



6. A license issued pursuant to this section may be transferred to another licensed employer upon application and the payment of a transfer fee of \$10. When a salesman or responsible managing employee holding a current license leaves the employment of one dealer, [rebuilder,] general serviceman or [installer] specialty serviceman for that of another, the new employer may employ the salesman or responsible managing employee pending the transfer of the license if the transfer is completed within 10 days.

- 7. A license issued pursuant to this section must be posted in a conspicuous place on the premises of the employer for whom the holder of the license is licensed.
- 8. If a salesman or responsible managing employee ceases to be employed by a licensed dealer, [rebuilder,] general serviceman or [installer,] specialty serviceman, his license to act as a salesman or responsible managing employee is automatically suspended and his right to act in that capacity immediately ceases, and he shall not engage in such an activity until reemployed by a licensed dealer, [rebuilder,] general serviceman or [installer.] specialty serviceman. Every licensed salesman and responsible managing employee shall report in writing to the Division every change in his place of employment or termination of employment within 5 days of the date of making the change.
 - **Sec. 20.** NRS 489.342 is hereby amended to read as follows:
- 489.342 1. A natural person who applies for the issuance or renewal of a manufacturer's, dealer's, [rebuilder's, serviceman's, installer's,] general serviceman's, specialty serviceman's, salesman's or managing employee's license shall submit to the Division the statement prescribed by the Welfare Division of the Department of Human Resources pursuant to NRS 425.520. The statement must be 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 submitted for the issuance or renewal of the license; or
 - (b) A separate form prescribed by the Division.
 - 3. A manufacturer's, dealer's, <u>frebuilder's</u>, <u>serviceman's</u>, <u>installer's</u>, <u>general</u> <u>serviceman's</u>, <u>specialty</u> <u>serviceman's</u>, salesman's or managing employee's license may not be issued or renewed by the Division if the applicant is a natural person who:
 - (a) Fails to submit the statement required pursuant to subsection 1; or
 - (b) Indicates on the statement submitted pursuant to subsection 1 that he is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district



attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.

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

Sec. 21. NRS 489.343 is hereby amended to read as follows:

489.343 1. Every partnership doing business as a manufacturer, dealer, [rebuilder,] general serviceman or [installer] specialty serviceman in this State shall designate one of its members, and every corporation doing business as a manufacturer, dealer, [rebuilder,] general serviceman or [installer] specialty serviceman in this State shall designate one of its officers, to submit an application for a manufacturer's, dealer's, [rebuilder's,] general serviceman's or [installer's] specialty serviceman's license.

- 2. The Division shall issue a manufacturer's, dealer's, [rebuilder's,] general serviceman's or [installer's] specialty serviceman's license to the member or officer on behalf of the corporation or partnership, upon:
- (a) The designated member or officer, in the case of a dealer, [rebuilder,] general serviceman or [installer,] specialty serviceman, successfully passing the examination requirement pursuant to NRS 489.351; and
- (b) Compliance with all other requirements of law or any other additional requirements the Division may from time to time prescribe by regulation by the partnership or corporation, as well as by the designated member or officer.
- 3. Upon receipt of the license, the designated member or officer is entitled to perform all the acts authorized by a license issued by the Division, except:
- (a) That the license issued entitles the designated member or officer to act pursuant to the terms and conditions of the license issued by the Division only as officer or agent of the partnership or corporation, and not on his own behalf; and
- (b) That if the person designated by the partnership or corporation:
 - (1) Is refused a license by the Division; or
- (2) Ceases to be connected with the partnership or corporation,
- → the partnership or corporation may designate another person who shall make application and qualify as in the first instance.



Sec. 22. NRS 489.344 is hereby amended to read as follows:

489.344 Each member or officer of a partnership or corporation who will perform or engage in any of the acts specified in NRS 489.076 [, 489.105, 489.115 or 489.135,] or 489.115, or section 2 or 3 of this act, other than the member or officer designated for [such] that purpose by the partnership or corporation in the manner provided in NRS 489.343, [shall make application] must apply for and take out a separate manufacturer's, dealer's, [rebuilder's,] general serviceman's or [installer's] specialty serviceman's license in his own name. The license issued to any such member or officer of a partnership or corporation entitles the member or officer to act as a manufacturer, dealer, [rebuilder,] general serviceman or [installer] specialty serviceman only as an officer or agent of the partnership or corporation and not on his own behalf.

Sec. 23. NRS 489.351 is hereby amended to read as follows:

489.351 The Administrator shall require an oral or written examination of each applicant for a license as a dealer, responsible managing employee, [installer, rebuilder,] salesman, general serviceman or specialty serviceman.

Sec. 24. NRS 489.391 is hereby amended to read as follows:

489.391 The following grounds, among others, constitute grounds for disciplinary action under NRS 489.381:

- 1. Except for a salesman, failure of the applicant to have an established place of business or conducting business from a location that is not authorized by the Division.
 - 2. Financial insolvency of the applicant or licensee.
- 3. Material misstatement in the application or otherwise furnishing false information to the Division.
- 4. Failure of a salesman or applicant for licensing as a salesman to establish by proof satisfactory to the Division that he is employed by a licensed dealer. [or rebuilder.]
- 5. Failure of an applicant for a license to provide proof satisfactory to the Division of his good character and reputation and of his fitness to engage in the activities for which the license is sought.
- 6. Any conduct before licensing which was in fact unknown to the Division and would have been grounds for denial of a license had the Division been aware of the conduct.
- 40 7. Obtaining or disclosing the contents of an examination given by the Division.
 - **Sec. 25.** NRS 489.401 is hereby amended to read as follows:
- 43 489.401 The following grounds, among others, constitute 44 grounds for disciplinary action pursuant to NRS 489.381:



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

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- 2. Failure to include in any advertising the name of the licensed dealer, [rebuilder,] general serviceman or [installer, or] specialty serviceman, or the name under which he is doing business.
- 3. Making any substantial misrepresentation or false promise which is likely to influence, persuade or induce, or continually failing to fulfill promises to sell, breaching agreements or contracts or making false promises by any means.
- 4. Failure to disclose all terms and conditions of a sale, purchase or lease or offer to sell, purchase or lease a manufactured home, mobile home or commercial coach.
- 5. Failure to disclose to a person with whom the licensed dealer is dealing with regard to the sale, purchase or lease of a manufactured home any material facts, structural defects or other material information which the licensed dealer knew, or which by the exercise of reasonable care and diligence should have known, concerning the manufactured home or concerning the sale, purchase or lease of the manufactured home.
 - 6. Failure to comply with the provisions of NRS 489.595.
- 7. Representing to any lender, guaranteeing agency or other interested party, orally or through the preparation of false documents:
 - (a) An amount in excess of the actual sales price;
- (b) A false amount as the down payment, earnest money deposit or other valuable consideration;
 - (c) Terms differing from those actually agreed upon; or
 - (d) False information on a credit application.
 - 8. Inducing an applicant to falsify his credit application.
- 31 Failure to obtain from the holder of any lien or security 32 interest in a manufactured home, mobile home or commercial coach, within 10 days before the closure of a sale of the manufactured 33 34 coach. home, mobile home or commercial written 35 acknowledgment that the holder of the lien or security interest has received written notification of the sale. 36
 - **Sec. 26.** NRS 489.423 is hereby amended to read as follows:
 - 489.423 1. Upon a finding that a licensed dealer knew, or by the exercise of reasonable care and diligence should have known, of any unlawful act or violation of a provision of this chapter by a salesman, [rebuilder, installer] general serviceman or specialty serviceman who is employed by or associated with the licensed dealer, the Division may suspend or revoke the license of the licensed dealer and impose a fine upon him of not more than \$1,000.



- Upon a finding that a licensed dealer failed to maintain adequate supervision of a salesman, [rebuilder, installer] general serviceman or specialty serviceman who, while employed by or associated with the licensed dealer, committed any unlawful act or violated a provision of this chapter, the Division may suspend or revoke the license of a licensed dealer and impose a fine upon him of not more than \$1,000.
 - **Sec. 27.** NRS 489.425 is hereby amended to read as follows:
- 1. If the Division receives a copy of a court order issued pursuant to NRS 425.540 that provides for the suspension of all professional, occupational and recreational licenses, certificates and permits issued to a person who is the holder of a manufacturer's, dealer's, frebuilder's, serviceman's, installer's, general serviceman's, specialty serviceman's, salesman's or managing employee's license, the Division shall deem the license issued to that person to be suspended at the end of the 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 the district attorney or other public agency pursuant to NRS 425.550 stating that the holder of the license has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.
- The Division shall reinstate a manufacturer's, dealer's, [rebuilder's, serviceman's, installer's,] general serviceman's, specialty serviceman's, salesman's or managing employee's license that has been suspended by a district court pursuant to NRS 425.540 if the Division receives a letter issued by the district attorney or other public agency pursuant to NRS 425.550 to the person whose license was suspended stating that the person whose license was suspended has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.
- 31 Sec. 28. NRS 489.481 is hereby amended to read as follows: 32 489.481 The Division shall adopt regulations providing fees 33 for:
 - 1. Certificates of installation;
 - Labels of installation:

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- Certificates of compliance;
- 4. Labels of compliance;
- 38 5. Certificates of ownership;
- 39 Licenses of manufacturers, dealers, salesmen, responsible 40 managing employees, *general* servicemen [, rebuilders and 41 installers; and specialty servicemen; 42
 - Licenses for branch offices; and
 - Any other services provided by the Division.



Sec. 29. NRS 489.4971 is hereby amended to read as follows: 489.4971 1. The Account for Education and Recovery Relating to Manufactured Housing is hereby created within the Fund for Manufactured Housing to satisfy the claims of purchasers of manufactured homes, mobile homes or commercial coaches against persons licensed pursuant to the provisions of this chapter. Any balance in 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 manufactured homes, mobile homes, travel trailers or commercial coaches.

- 2. Upon the issuance or renewal of the following licenses by the Division, the licensee must pay, in addition to the original or renewal license fee, a fee:
- (a) For a dealer's or manufacturer's original license, or [an] for any original limited dealer's license, [issued pursuant to NRS 489.281,] of \$1,000.
- (b) For a dealer's or manufacturer's renewal license, or a renewal *of any* limited dealer's license, [issued pursuant to NRS 489.281,] of \$600.
 - (c) For an original or renewal license for:
- (1) A *general* serviceman [, rebuilder or] and installer, or *specialty serviceman*, of \$150.
 - (2) A salesman, of \$75.

- (3) A responsible managing employee, of \$100.
- → Except as otherwise provided in NRS 489.265, fees collected pursuant to this section must be deposited in the State Treasury for 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. Îf 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. 30. NRS 489.511 is hereby amended to read as follows:

489.511 1. If a used or rebuilt manufactured home, mobile home or commercial coach is sold in this State by a dealer, for rebuilder, the dealer for rebuilder shall complete a dealer's for rebuilder's report of sale. The report must be in a form prescribed by the Division and include a description of the manufactured home, mobile home or commercial coach, the name and address of the



seller and the name and address of the buyer. If a security interest exists at the time of the sale, or if in connection with the sale a security interest is taken or retained by the seller [, dealer or rebuilder] or dealer to 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 the manufactured home, mobile home or commercial coach, the name and address of the secured party must be entered on the dealer's [or rebuilder's] report of sale.

- 2. The dealer [or rebuilder] shall submit the original of the dealer's [or rebuilder's] report of sale to the Division within 45 days after the execution of all instruments which the contract of sale requires to be executed at the time of the sale, unless an extension of time is granted by the Division, together with the endorsed certificate of title or certificate of ownership previously issued. The dealer [or rebuilder] shall furnish one copy of the report of sale to the buyer at the time of the sale. Within 45 days after the sale, the dealer [or rebuilder] shall furnish one copy of the report of sale to the assessor of the county in which the manufactured home, mobile home or commercial coach will be located.
- 3. The dealer [or rebuilder] shall require the buyer to sign an acknowledgment of taxes, on a form prescribed by the Division, which includes a statement that the manufactured home, mobile home or commercial coach is taxable in the county in which it is located. The dealer shall deliver the buyer's copy of the acknowledgment to him at the time of sale and submit another copy to the county assessor of the county in which the manufactured home, mobile home or commercial coach is to be located.
- 4. If a used or rebuilt manufactured home, mobile home or commercial coach is sold by a dealer [or rebuilder] pursuant to an installment contract or other agreement by which the certificate of title or certificate of ownership does not pass immediately from the seller to the buyer upon the sale, the dealer [or rebuilder] shall submit to the Division any information required by the regulations adopted by the Administrator pursuant to NRS 489.272.
 - **Sec. 31.** NRS 489.521 is hereby amended to read as follows:
- 489.521 1. If a used or rebuilt manufactured home, mobile home or commercial coach is sold in this State by a person who is not a dealer, [or rebuilder,] the seller or buyer, or both, [of them] shall submit to the Division, and a copy to the county assessor of the county in which the manufactured home, mobile home or commercial coach is located, within 45 days after the sale:
- (a) If a certificate of ownership has been issued in this State, that certificate properly endorsed.
- (b) If a certificate of title or other document of title has been issued by a public authority of another state, territory or country:



(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 or commercial coach, 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.
- (c) If a document of title has not been issued by any public authority, a statement showing all the information and signed and acknowledged in the manner required by subparagraph (2) of paragraph (b) of subsection 1.
- 2. If a used or rebuilt manufactured home, mobile home or commercial coach is sold by a person who is not a dealer [or rebuilder] pursuant to an installment contract or other agreement by which the certificate of title or certificate of ownership does not pass immediately from the seller to the buyer upon the sale, the seller or buyer, or both, shall submit to the Division any information required by the regulations adopted by the Administrator pursuant to NRS 489.272.
 - **Sec. 32.** NRS 489.601 is hereby amended to read as follows:
- 489.601 1. Except as *otherwise* provided in NRS 489.611, any manufacturer [, dealer or rebuilder] or dealer having an established place of business in this State, and owning or controlling any new or used manufactured home, mobile home or commercial coach, may move the manufactured home, mobile home or commercial coach for the purposes of display, maintenance, sale or exchange if there is displayed on it a special plate issued to the manufacturer [, dealer or rebuilder] or dealer as provided by this section.
- 2. Upon issuance of a manufacturer's [, dealer's or rebuilder's] or dealer's license pursuant to this chapter, the Division shall furnish to the licensee one or more special plates for use on manufactured homes, mobile homes and commercial coaches pursuant to subsection 1. Each plate must have displayed upon it the identification number which is assigned to the manufacturer [, dealer or rebuilder] or dealer and may, at the discretion of the Division, have a different letter or symbol on each plate. The plates may be used interchangeably on the manufactured homes, mobile homes or commercial coaches.
- 3. The Division shall, by regulation, determine the number of plates to which each manufacturer [, dealer or rebuilder] or dealer is entitled.
- 4. The Department shall supply the Division with the special plates.



5. There must be paid to the Division a fee of \$12 at the time application for a special plate is made, and by the Division to the Department, a fee of \$5.50 for each special plate.

Sec. 33. NRS 489.7152 is hereby amended to read as follows: 489.7152 The Administrator shall prescribe [, by regulation,] the form of the [contract] contracts that must be used for the sale and listing for sale of a manufactured home, mobile home or commercial coach. A licensee who fails to use the forms prescribed by the Administrator pursuant to this section is subject to disciplinary action pursuant to NRS 489.381.

Sec. 34. NRS 489.731 is hereby amended to read as follows:

489.731 Unless further restricted by *a* local ordinance, if more than 80 percent of the lots in the park where it is situated are occupied, it is unlawful for a dealer, [an installer or a] *general serviceman*, *specialty serviceman or* salesman to rent or lease a vacant mobile home lot unless:

- 1. Within 60 days he takes up residence in a manufactured home or mobile home placed upon the lot; or
 - 2. He releases the lot to a qualified tenant.

- → After the expiration of 60 days [from] after the date of rental of the lot to the dealer, [installer] general serviceman, specialty serviceman or salesman, any qualified tenant is entitled, upon written request to the landlord, to obtain release of the lot.
 - **Sec. 35.** NRS 489.780 is hereby amended to read as follows:
- 489.780 The failure of a licensed dealer [, rebuilder] or salesman to make the disclosure required pursuant to NRS 489.776 constitutes grounds for disciplinary action pursuant to NRS 489.381.

Sec. 36. NRS 489.811 is hereby amended to read as follows:

- 489.811 1. Except as *otherwise* provided in subsection 5, any 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 violation. Each violation of this chapter or any regulation or order issued under it constitutes a separate violation with respect to each *manufactured home*, mobile home or commercial coach and with respect to each failure or refusal to allow or perform an act required by this chapter 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, [rebuilder, installer and] general serviceman and specialty serviceman, and every other interested party who has requested the notice.



- 3. An action to enforce a civil penalty must be brought in a court of competent jurisdiction in the county in which the defendant has his principal place of business.
- 4. All money collected as civil penalties pursuant to the provisions of this chapter must be deposited in the State General Fund.
- 5. This section does not apply to a manufacturer [, dealer or rebuilder] or dealer of travel trailers.
 - **Sec. 37.** NRS 118B.067 is hereby amended to read as follows:
- 118B.067 1. If a landlord approves the placement of a manufactured home on a lot in a park and it is determined after the home is placed on the lot that the placement of the home does not comply with the requirements of the local ordinances relating to that placement, the landlord shall pay the cost to ensure compliance with those requirements.
- 2. Â landlord shall notify any tenant who is bringing a manufactured home which is new to the manufactured home park into the manufactured home park that the provisions of NRS 489.311 require that only persons licensed by the State of Nevada as [manufactured home installers] general servicemen are legally permitted to set up and install a manufactured home. Before the tenant may bring such a manufactured home into the manufactured home park, the tenant must provide to the landlord a copy of the license issued pursuant to NRS 489.311 to the person who will be installing the manufactured home.
- **Sec. 38.** NRS 489.105, 489.135 and 489.145 are hereby repealed.
 - **Sec. 39.** 1. Every person in this State who, on October 1, 2005, holds a license as an installer, rebuilder or serviceman of a manufactured home, mobile home or commercial coach shall be deemed to have been issued a temporary license as a general serviceman or specialty serviceman of a manufactured home, mobile home or commercial coach, as appropriate.
 - 2. A temporary license specified in subsection 1 expires on:
 - (a) July 1, 2006, if, by that date, the person has not applied for and received a license as a general serviceman or specialty serviceman of a manufactured home, mobile home or commercial coach, as appropriate; or
- (b) The date the Manufactured Housing Division of the Department of Business and Industry grants or denies the person's application for that license,
- → whichever occurs first.

Sec. 40. 1. This section and sections 1 to 14, inclusive, 16, 44 17, 18 and 20 to 39, inclusive, of this act become effective on 45 October 1, 2005.



- 2. Sections 14, 18, 20 and 27 of this act expire by limitation on the date on which the provisions of 42 U.S.C. § 666 requiring each state to establish procedures under which the state has authority to withhold or suspend, or to restrict the use of professional, occupational and 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,
- → are repealed by the Congress of the United States.

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- 3. Sections 15 and 19 of this act become effective on the date on which the provisions of 42 U.S.C. § 666 requiring each state to establish procedures under which the state has authority to withhold or suspend, or to restrict the use of professional, occupational and 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.
- → are repealed by the Congress of the United States.

TEXT OF REPEALED SECTIONS

- **489.105** "Installer" defined. "Installer" means a person who owns or is a responsible managing employee of a business which installs a manufactured home, mobile home or commercial coach at the site where it is to be used for occupancy. The term does not include:
 - 1. Employees of public utility companies; or
- 2. The purchaser of a manufactured home, mobile home or commercial coach.

489.135 "Rebuilder" defined.

- 1. "Rebuilder" means a person engaged in the business of reconstructing manufactured homes, mobile homes or commercial coaches by the alteration, addition or substitution of substantial or essential parts.
- 2. Nothing in this section requires any licensed new manufactured home, mobile home or commercial coach dealer to secure a license as a rebuilder in conjunction with rebuilding in his own facilities by his employees.



- **489.145** "Serviceman" defined. "Serviceman" means a person who owns or is the responsible managing employee of a business which installs or repairs awnings, roofing, skirting, plumbing, heating or electrical systems on or in manufactured homes, mobile homes or commercial coaches, except:
 - 1. Any person employed by a licensed manufacturer; and
- 2. The owner or purchaser of a manufactured home, mobile home or commercial coach.



