

ASSEMBLY BILL NO. 224—COMMITTEE ON COMMERCE AND LABOR

(ON BEHALF OF THE MANUFACTURED HOUSING DIVISION)

MARCH 1, 2007

Referred to Committee on Commerce and Labor

SUMMARY—Makes various changes to provisions governing the regulation of factory-built housing, manufactured buildings and modular components. (BDR 43-583)

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 housing; exempting specialty servicemen from the requirement of taking an examination for licensure in certain circumstances; requiring a provider of services to enter into written contracts for any work he provides with each person who is pertinent to the sale, installation and occupancy of a manufactured home; requiring the Manufactured Housing Division of the Department of Business and Industry to adopt national standards and codes for the construction of factory-built housing, manufactured buildings and modular components; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law regulates "specialty servicemen" which are persons who own or are responsible for a business that has a limited scope of work that it may perform on or in a manufactured home, mobile home or commercial coach. (NRS 489.147, 489.305-489.325) Specialty servicemen are required to pass an examination and apply for licensure. (NRS 489.321, 489.325, 489.351) **Sections 1-5** of this bill provide that a specialty serviceman may be given a waiver from the examination requirement if he holds another license in this State pursuant to which he performs services that are substantially similar to those that he will perform as a specialty serviceman.

Existing law authorizes a dealer of new manufactured homes to enter into written agreements pursuant to which appropriately licensed providers of service agree to perform work pertinent to the sale, installation and occupancy of a



13 manufactured home. (NRS 489.716) **Section 6** of this bill requires such providers
14 of service to enter into written agreements for any work they provide with each
15 person who is pertinent to the sale, installation and occupancy of a manufactured
16 home.

17 **Section 7** of this bill deletes provisions of existing law which set forth
18 standards for the construction, reconstruction and alteration of factory-built
19 housing, manufactured buildings and modular components and instead requires the
20 Manufactured Housing Division to adopt by regulation the nationally recognized
21 standards and codes for such construction, reconstruction and alteration.

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

1 **Section 1.** NRS 489.321 is hereby amended to read as follows:
2 489.321 1. An application for a manufacturer's, dealer's,
3 general serviceman's or specialty serviceman's license must be filed
4 upon forms supplied by the Division and include the social security
5 number of the applicant. The applicant must furnish:

6 (a) Any proof the Division may deem necessary that the
7 applicant is a manufacturer, dealer, general serviceman or specialty
8 serviceman.

9 (b) Any proof the Division may require that the applicant has an
10 established place of business.

11 (c) Any proof the Division may require of the applicant's good
12 character and reputation and of his fitness to engage in the activities
13 for which the license is sought.

14 (d) A complete set of his fingerprints and written permission
15 authorizing the Administrator to forward those fingerprints to the
16 Central Repository for Nevada Records of Criminal History for
17 submission to the Federal Bureau of Investigation for its report. The
18 Administrator may exchange with the Central Repository and
19 the Federal Bureau of Investigation any information relating to the
20 fingerprints of an applicant under this section.

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

25 (f) A reasonable fee fixed by regulation.

26 (g) In the case of a dealer ~~H~~ or general serviceman , ~~for~~
27 ~~specialty-serviceman,~~ proof of passing the examination required
28 under NRS 489.351.

29 (h) *In the case of a specialty serviceman, proof of passing the*
30 *examination required under subsection 1 of NRS 489.351 or proof*
31 *that the examination has been waived pursuant to subsection 2 of*
32 *NRS 489.351.*



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(i) 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, 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 after the date of issuance and may be renewed for like consecutive periods upon application to and approval by the Division.

Sec. 2. NRS 489.321 is hereby amended to read as follows:

489.321 1. Applications for a manufacturer's, dealer's, general serviceman's or 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, general serviceman or 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 ~~or~~ **or** general serviceman, ~~for specialty serviceman,~~ proof of passing the examination required under NRS 489.351.

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



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(i) 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, 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 after the date of issuance and may be renewed for like consecutive periods upon application to and approval by the Division.

Sec. 3. NRS 489.325 is hereby amended to read as follows:

489.325 1. The Administrator may adopt regulations which provide for the licensing of specialty servicemen. A person licensed as a 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~~ *any* applicable examination *required pursuant to subsection 1 of NRS 489.351, unless waived pursuant to subsection 2 of NRS 489.351.*

3. A person who is licensed as a 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. 4. NRS 489.343 is hereby amended to read as follows:

489.343 1. Every partnership doing business as a manufacturer, dealer, general serviceman or specialty serviceman in this State shall designate one of its members, and every corporation doing business as a manufacturer, dealer, general serviceman or



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1 specialty serviceman in this State shall designate one of its officers,
2 to submit an application for a manufacturer's, dealer's, general
3 serviceman's or specialty serviceman's license.

4 2. The Division shall issue a manufacturer's, dealer's, general
5 serviceman's or specialty serviceman's license to the member or
6 officer on behalf of the corporation or partnership ~~and~~ upon:

7 (a) The designated member or officer, in the case of a dealer,
8 general serviceman or specialty serviceman, successfully passing
9 the examination ~~requirement~~ *required pursuant to NRS 489.351*
10 *unless, in the case of a specialty serviceman, the examination is*
11 *waived pursuant to subsection 2 of NRS 489.351; and*

12 (b) Compliance with all other requirements of law or any other
13 additional requirements the Division may from time to time
14 prescribe by regulation by the partnership or corporation, as well as
15 by the designated member or officer.

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

19 (a) That the license issued entitles the designated member or
20 officer to act pursuant to the terms and conditions of the license
21 issued by the Division only as officer or agent of the partnership or
22 corporation, and not on his own behalf; and

23 (b) That if the person designated by the partnership or
24 corporation:

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

26 (2) Ceases to be connected with the partnership or
27 corporation,

28 ➔ the partnership or corporation may designate another person who
29 shall make application and qualify as in the first instance.

30 **Sec. 5.** NRS 489.351 is hereby amended to read as follows:

31 489.351 ~~The~~

32 *1. Except as otherwise provided in subsection 2, the*
33 *Administrator shall require an oral or written examination of each*
34 *applicant for a license as a dealer, responsible managing employee,*
35 *salesman, general serviceman or specialty serviceman.*

36 *2. The Administrator may waive the examination required*
37 *pursuant to subsection 1 for an applicant for a license as a*
38 *specialty serviceman if:*

39 *(a) The applicant holds another valid license issued by this*
40 *State; and*

41 *(b) The services performed by the applicant pursuant to that*
42 *license are substantially similar to the services to be performed by*
43 *the applicant as a specialty serviceman.*



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Sec. 6. NRS 489.716 is hereby amended to read as follows:

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

2. A dealer of ~~new~~ manufactured homes, regardless of whether he 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 the buyer to obtain such services from a specific provider of services.

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

- (a) The scope of work;*
- (b) The cost for completion of the work;*
- (c) The date on which work will begin;*
- (d) The anticipated date for completion of the work; and*
- (e) That no additional work may be performed and no additional costs may be charged unless agreed to in writing before the 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 of a new manufactured home.

Sec. 7. NRS 461.170 is hereby amended to read as follows:

~~461.170 1. Unless the Division has adopted a more recent edition pursuant to paragraph (b) of subsection 2, the following codes and standards, in the form most recently published before January 1, 1999, are hereby adopted for the purposes of this chapter:~~

- ~~—(a) The Uniform Housing Code;~~
- ~~—(b) The Uniform Building Code, as adopted by the International Conference of Building Officials;~~



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~~—(c) The Uniform Plumbing Code, as adopted by the International Association of Plumbing and Mechanical Officials;~~

~~—(d) The Uniform Mechanical Code, as adopted by the International Conference of Building Officials and the International Association of Plumbing and Mechanical Officials;~~

~~—(e) The National Electrical Code, as adopted by the National Fire Protection Association;~~

~~—(f) The Uniform Building Code, Dangerous Building, as adopted by the International Conference of Building Officials;~~

~~—(g) The Uniform Building Code Standards, as adopted by the International Conference of Building Officials; and~~

~~—(h) The American National Standards Institute Standard No. A117.1.~~

~~2. The Division may:~~

~~—(a) Adopt regulations necessary to carry out the provisions of this chapter and the codes and standards adopted by this section.~~

~~—(b) Adopt, by regulation, the most recent edition of the codes and standards specified in subsection 1.~~

~~—(c) Revise the regulations to conform substantially to any amendments to the codes and standards.} **The Division shall adopt by regulation nationally recognized codes and standards for the construction of factory-built housing, manufactured buildings and modular components.**~~

2. The Division shall adopt regulations for the:

(a) Reconstruction; and

(b) Alteration, including, without limitation, alteration to a plumbing, heating or electrical system,

↳ of factory-built housing, manufactured buildings and modular components that are consistent with nationally recognized codes and standards.

3. If approved in writing by the Division, a local enforcement agency may impose requirements that are more stringent than the codes, standards and regulations adopted under this section.

Sec. 8. NRS 461.190 is hereby amended to read as follows:

461.190 1. Factory-built housing manufactured after the effective date of the regulations for that housing adopted pursuant to this chapter which is sold or offered for sale to a first user within this State must bear an insigne of approval issued by the Division.

2. A manufactured building **H** fabricated after the effective date of the regulations for that building adopted pursuant to this chapter **H** which is sold or offered for sale to a first user within this State must bear an insigne of approval issued by the Division.

3. The Division may issue insignia, medallions, symbols or tags issued by the appropriate certifying authority designated by the



1 uniform codes and standards adopted pursuant to NRS 461.170 to
2 signify compliance with all the provisions of NRS 461.170.

3 4. The Division may provide by regulation for the approval of
4 any factory-built housing or manufactured building which has been
5 inspected and approved by the appropriate certifying authorities of
6 another jurisdiction which has adopted all the codes and standards
7 ~~{specified in}~~ *adopted pursuant to* NRS 461.170 without additional
8 inspection or issuance of additional insignia, medallions, symbols or
9 tags by the Division.

10 **Sec. 9.** 1. This section and sections 1 and 3 to 8, inclusive, of
11 this act become effective upon passage and approval.

12 2. Section 1 of this act expires by limitation on the date on
13 which the provisions of 42 U.S.C. § 666 requiring each state to
14 establish procedures under which the state has authority to withhold
15 or suspend, or to restrict the use of professional, occupational and
16 recreational licenses of persons who:

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

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

22 ➔ are repealed by the Congress of the United States.

23 3. Section 2 of this act becomes effective on the date on which
24 the provisions of 42 U.S.C. § 666 requiring each state to establish
25 procedures under which the state has authority to withhold or
26 suspend, or to restrict the use of professional, occupational and
27 recreational licenses of persons who:

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

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

33 ➔ are repealed by the Congress of the United States.

