

**MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON COMMERCE AND LABOR**

**Seventy-Seventh Session  
March 15, 2013**

The Committee on Commerce and Labor was called to order by Chairman David P. Bobzien at 1:11 p.m. on Friday, March 15, 2013, in Room 4100 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at [nelis.leg.state.nv.us/77th2013](http://nelis.leg.state.nv.us/77th2013). In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (email: [publications@lcb.state.nv.us](mailto:publications@lcb.state.nv.us); telephone: 775-684-6835).

**COMMITTEE MEMBERS PRESENT:**

Assemblyman David P. Bobzien, Chairman  
Assemblywoman Marilyn K. Kirkpatrick, Vice Chairwoman  
Assemblywoman Irene Bustamante Adams  
Assemblywoman Maggie Carlton  
Assemblyman Skip Daly  
Assemblywoman Olivia Diaz  
Assemblyman John Ellison  
Assemblyman Jason Frierson  
Assemblyman Tom Grady  
Assemblyman Ira Hansen  
Assemblyman Crescent Hardy  
Assemblyman William C. Horne  
Assemblyman Pete Livermore  
Assemblyman James Ohrenschall

**COMMITTEE MEMBERS ABSENT:**

Assemblyman James W. Healey (excused)



**GUEST LEGISLATORS PRESENT:**

None

**STAFF MEMBERS PRESENT:**

Kelly Richard, Committee Policy Analyst  
Leslie Danihel, Committee Manager  
Earlene Miller, Committee Secretary  
Olivia Lloyd, Committee Assistant

**OTHERS PRESENT:**

John Griffin, representing Manufactured Home Community Owners' Association  
Jeanne Parrett, Manager, El Dorado Estates, Las Vegas, Nevada  
Jim deProsse, Administrator, Housing Division, Department of Business and Industry  
Diane O'Connor, Program Officer, Manufactured Housing Division, Department of Business and Industry

**Chairman Bobzien:**

[The roll was called, and a quorum was present.] I will open the hearing on Assembly Bill 171.

**Assemblywoman Kirkpatrick:**

I would like to introduce my constituent, Mark Sherman, from North Las Vegas, and his son, Dakota, from Reno.

**Assembly Bill 171:** Revises provisions governing continuing education requirements for certain personnel of manufactured home parks. (BDR 10-599)

**Assemblyman John C. Ellison, Assembly District No. 33:**

We reviewed the bill and would like to work on it to determine what constitutes a manufactured home park. The law says that two manufactured homes constitute a manufactured home park. In rural Nevada, there are older parks where the owners do not make enough money to pay the water, sewer, and taxes let alone the fees and transportation to take continuing education courses. People who have manufactured homes to house their ranch employees also fall under this law.

We wanted to consider facilities with under 15 manufactured home spaces. Using that number, Carson City had seven; Clark County, three; Humboldt

County, one; Lander County, three; Lincoln County, two; Lyon County, five; Nye County, three; and Douglas County and Mineral County both had zero. These parks have probably been established for 25 to 35 years or more.

We would like to have a workshop on this bill and then bring it back to the Committee.

**John Griffin, representing Manufactured Home Community Owners' Association:**

I signed in in opposition to the bill as written. We have been working with Assemblyman Ellison and will continue to work with him to develop a bill our clients will support. We support Assemblyman Ellison's concept. I think the original bill arises out of frustration for some of the smaller park owners who are caught up in a definition of what constitutes a manufactured home park. Assembly Bill 171 is the culmination of the frustration that one of those requirements is continuing education. Some of the frustration is probably broader than the continuing education. There are probably other seemingly excessive requirements with which these people have to comply. We will work to craft language that gives some flexibility and relief for people who have something that we do not envision as a classic manufactured home park. [Submitted handouts ([Exhibit C](#) and [Exhibit D](#)).]

**Chairman Bobzien:**

We have a bill before us with expressed opposition. The challenge is going to be that the bill deals with continuing education for manufactured home parks. Assemblyman Ellison wants to clarify the definition of a manufactured home park. We will likely have a challenge with the germaneness of an amendment according to our Legal Counsel. You can go through the bill and we will see if this can be the vehicle to deal with your concerns.

**John Griffin:**

Section 1 references *Nevada Revised Statutes* (NRS) 118B.086. That is the definition of a manufactured home park which has over two lots. It mirrors the language in NRS 118B.017. When the original definition of manufactured home lot was changed to two, this section was also changed to two. That is the legal hook.

**Chairman Bobzien:**

The initial review from our Legal Counsel was that we could not add the amendment.

**Assemblyman Ellison:**

In 2003 or 2004, 25 spaces were considered a manufactured home park. The problem occurred when they changed the number from 25 to 2. It is a hardship for some elderly people to drive long distances to take classes and it is an expense. We want to help the people who have small parks.

**Chairman Bobzien:**

Our Legal Counsel acknowledges the hook as expressed by John Griffin, but they still need to clarify if it is germane. There may be some opportunity to get this changed on another bill. Do you want to continue presenting the bill?

**Assemblyman Ellison:**

We are asking to change NRS 118B.086 from saying two or more manufactured home lots to ten or more. We might even be able to consider getting some continuing education by satellite. Some of these ranches do not qualify as manufactured home parks. For example, former Senator Dean Rhoads has two places in Tuscarora and two at his ranch. His workers rent the lots. Under the Internal Revenue Code, it has to be considered lot rent and not salary. That is considered a manufactured home park under the law. We want to clarify that it is not a manufactured home park. We agree that any manufactured home park with more than ten spaces would have to complete the continuing education. For parks with less than ten spaces, we hope the owners would volunteer to complete the continuing education.

**Assemblywoman Kirkpatrick:**

I will help you to address the problems and find a way that will work. One of the concerns may be that we need to keep the law tight so we can deal with zoning, code, and other issues.

**Assemblyman Ellison:**

Thank you, Assemblywoman Kirkpatrick.

**Chairman Bobzien:**

How many owners are we considering in this population at each level?

**Assemblyman Ellison:**

For manufactured home parks with ten spaces and under: Elko County has seven; Carson City has five; Churchill County has two; Lander County has two; Lincoln County has two; Nye County has one; Pershing County has three; Washoe County has four; White Pine County has two; and Clark County, Douglas County, Humboldt County, Mineral County, and Storey County have zero. This does not include the many that are not counted and are not legal under existing codes.

**Chairman Bobzien:**

Is the challenge the overall burden of the continuing education, questioning the need for it, or the accessibility of getting it?

**Assemblyman Ellison:**

For the small old places, it is a financial burden. That is the biggest complaint. Traveling distance also is a concern. Some of the bigger parks do not like to comply with the law, but once they do, they are happy.

**Chairman Bobzien:**

The concerns include financial burden and convenience. It is a broad set of complaints.

**Assemblyman Ellison:**

The classes are usually held in Winnemucca. Elderly people have to drive long distances from Elko or Wendover to take a class. I do not know where else the classes are held, but distance is an issue, and many people cannot make the trip in one day.

**Chairman Bobzien:**

Are there any questions from the Committee? [There was no response.]

**John Griffin:**

I will work with Assemblyman Ellison and Assemblywoman Kirkpatrick on any germane issues related to this bill.

**Chairman Bobzien:**

Is there anyone else wishing to testify in support of this bill?

**Jeanne Parrett, Manager, El Dorado Estates, Las Vegas, Nevada:**

I have been the manager at El Dorado Estates for 17 years. The continuing education classes that I have taken—and I have only missed one class in the past 17 years—have been extremely helpful in allowing me to stay in the industry and keep our community running smoothly. The continuing education is very informative. While it may not apply to the rural mom-and-pop operations that have workers staying on their property, for the rest of us it is absolutely imperative that we continue to receive this education. There are 43 pages of law under NRS Chapter 118B that are important to us. I would hate to see a change to classes held every two years instead of every year.

**Chairman Bobzien:**

Could you tell us more about the content of the courses?

**Jeanne Parrett:**

The first class each year is a review of NRS Chapter 118B. It is not easy for most of us or our tenants to understand. In order for us to answer their questions, we have to understand it. Without these classes, we would not know that we are the only landlord that is required to collect rents in cash. We would not know that we can file both a lien against the home and an eviction against the person for nonpayment of rent. The classes have included fair housing, Americans with Disabilities Act compliance, and crime-free multi-housing. There have been some fun and very interesting classes. At the last class of each legislative year, we review the new legislative changes.

**Chairman Bobzien:**

Are there any questions from the Committee? [There was no response.]  
Is there anyone else wishing to speak on this bill? [There was no response.]  
I will close the hearing on A.B. 171. I will open the hearing on Senate Bill 29.

**Senate Bill 29: Revises provisions relating to the Fund for Low-Income Owners of Manufactured Homes. (BDR 10-360)**

**Jim deProsse, Administrator, Housing Division, Department of Business and Industry:**

Senate Bill 29 proposes a change that would authorize the administrator of the Manufactured Housing Division to have more authority to waive the eligibility requirements for financial assistance for the Fund for Low-Income Owners of Manufactured Homes, which we refer to as the Lot Rent Subsidy Program. The majority of applicants for this program are elderly, disabled, and/or on fixed incomes. Currently, the law does not allow for the administrator of the Division to make a waiver for eligibility. The applicants often do not have circumstances that have recently changed, so the administrator is not allowed to make a waiver. This disqualifies a person who has always been below the poverty level or disabled. As a result, they have been determined to be ineligible, but it may be appropriate that they be given an exception. The administrator is not allowed to give an exception. The proposed change to the statute is relatively simple. It would change the wording from if the "circumstances of the applicant have changed" to if the "applicant demonstrates to the satisfaction of the Administrator that the circumstances of the applicant warrant a waiver."

**Diane O'Connor, Program Officer, Manufactured Housing Division, Department of Business and Industry:**

I would like to provide examples of people we had to turn down for the Lot Rent Subsidy Program in the past year. There was an elderly woman, living in her manufactured home, who had a monthly income of \$964 solely from social security. The maximum income cap at the time was \$930 per month. She did

not qualify for Medicare. If she had Medicare, we could have deducted the cost from her income to make her eligible. She paid for private medical insurance, which we cannot deduct from her income. She did not qualify for the program because she did not have any changes to her eligibility.

Another case was that of an elderly man living alone in his home. His wife had died five years prior. They had both been receiving social security payments, and he lost her income when she died. He depleted their savings. His income was about \$980 per month, which was \$50 over the maximum cap. His qualifying change occurred five years earlier, and he was not aware of the program at the time of the change.

**Chairman Bobzien:**

Are there any questions from the Committee?

**Assemblywoman Carlton:**

If we give exemptions, what will it do to others who may be in line to receive the allotment? Do you have a reserve so we will not have to worry about someone who does comply not being able to get his allotment because we waived the qualifications for someone else? Even though it is worthy, we also have to keep the other people in mind.

**Jim deProsse:**

There is approximately \$330,000 collected annually through fees collected from the parks throughout the state. A small amount is paid for each space in the park. From that money, we withhold the administrative amount to pay the program manager. The remainder of the money is paid to qualified applicants. The number of applicants changes over time. The pool of money has been steady over recent years. Last year we increased the maximum amount of the subsidy from \$100 to \$150 because there were fewer applicants. The amount that is distributed each year is about \$280,000. There would be no fiscal impact to the state. If there are more applicants who chose to apply, that would change the amount each applicant would get.

There are not many exceptions. The frustration, from an administrative point of view, is that we are not able to make an exception. Typically, there are only one or two exceptions per year. There would not be much of an impact to others who are participating in the program. There are appropriate times when the Division should be allowed to make an exception, but the law does not allow us.

**Assemblywoman Carlton:**

This is the Lot Rent Subsidy Program and last year you used \$280,000. You roll over your funds to the next year because they are not General Fund dollars. Would you establish some internal guidelines or policies so you would never be put in the position that if you did have to tell someone no, they would not be able to say, you told somebody else yes, so what about me?

**Jim deProsse:**

That could easily be done. That appears to be appropriate in regulatory language or in our internal policy. It would be easy to work through those details because there are not that many exceptions.

**Assemblywoman Carlton:**

I think an internal policy would protect everyone. Although it is not much money, when you tell one person yes and another person no, that may be difficult.

**Assemblyman Daly:**

Wherever we set limits or provide criteria, it is difficult when we make changes from those limits. So set a limit and live with it. I have concerns about putting an employee in the situation to make that determination. Who will make the decision? Whatever policy you put in place, there will be an exception to that.

**Jim deProsse:**

The current statute says the administrator can authorize a waiver if there has been a change. It would remain the administrator.

**Assemblyman Daly:**

You will still set a limit. It will still be a problem.



**Chairman Bobzien:**

Are there any other questions from the Committee? [There was no response.]  
Is there anyone else to speak on S.B. 29? [There was no response.] I will close  
the hearing on S.B. 29. Is there any public comment? [There was no  
response.] Are there any issues to come before the Committee from the  
members? [There was no response.]

The meeting is adjourned [at 1:47 p.m.].

RESPECTFULLY SUBMITTED:

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Earlene Miller  
Committee Secretary

APPROVED BY:

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Assemblyman David P. Bobzien, Chair

DATE: \_\_\_\_\_

**EXHIBITS**

**Committee Name:** Committee on Commerce and Labor

**Date:** March 15, 2013

**Time of Meeting:** 1:11 p.m.

<b>Bill</b>	<b>Exhibit</b>	<b>Witness / Agency</b>	<b>Description</b>
	A		Agenda
	B		Attendance Roster
A.B. 171	C	John Griffin	Handout
A.B. 171	D	John Griffin	Handout