

Assembly Bill No. 74–Committee
on Commerce and Labor

CHAPTER.....

AN ACT relating to public utilities; extending to the landlord of a manufactured home park the applicability of provisions governing the resale of certain utility services by the landlord of a mobile home park or owner of a company town; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law imposes certain requirements on the landlord of a mobile home park or the owner of a company town who charges the tenants of the park or occupants of the dwellings for certain utility services provided to the landlord or owner by a utility or alternative seller. (NRS 704.905-704.960) This bill generally makes these provisions applicable to the landlord of a manufactured home park.

Existing law requires the landlord of a mobile home park or the owner of a company town who is subject to the provisions of NRS 704.905-704.960 to submit to the Public Utilities Commission of Nevada an annual report which contains information sufficient to determine whether the landlord or owner has complied with the applicable statutory requirements. (NRS 704.960) **Section 11** of this bill extends the applicability of this requirement to include the landlord of a manufactured home park, but limits the applicability of the provision only to a landlord or owner who is billed by a utility or an alternative seller and in turn charges the tenants of the park or occupants of the dwellings for the service provided by the utility or alternative seller.

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

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

Section 1. NRS 702.090 is hereby amended to read as follows:
702.090 1. “Retail customer” means an end-use customer that purchases natural gas or electricity for consumption in this state.

2. The term includes, without limitation:

(a) A residential, commercial or industrial end-use customer that purchases natural gas or electricity for consumption in this state, including, without limitation, an eligible customer that purchases electricity for consumption in this state from a provider of new electric resources pursuant to the provisions of chapter 704B of NRS.

(b) A landlord of a *manufactured home park or* mobile home park or owner of a company town who is subject to any of the provisions of NRS 704.905 to 704.960, inclusive.

(c) A landlord who pays for natural gas or electricity that is delivered through a master meter and who distributes or resells the



natural gas or electricity to one or more tenants for consumption in this state.

3. The term does not include this state, a political subdivision of this state or an agency or instrumentality of this state or political subdivision of this state when it is an end-use customer that purchases natural gas or electricity for consumption in this state, including, without limitation, when it is an eligible customer that purchases electricity for consumption in this state from a provider of new electric resources pursuant to the provisions of chapter 704B of NRS.

Sec. 2. NRS 702.260 is hereby amended to read as follows:

702.260 1. Seventy-five percent of the money in the Fund must be distributed to the Division of Welfare and Supportive Services for programs to assist eligible households in paying for natural gas and electricity. The Division may use not more than 5 percent of the money distributed to it pursuant to this section for its administrative expenses.

2. Except as otherwise provided in NRS 702.150, after deduction for its administrative expenses, the Division may use the money distributed to it pursuant to this section only to:

(a) Assist eligible households in paying for natural gas and electricity.

(b) Carry out activities related to consumer outreach.

(c) Pay for program design.

(d) Pay for the annual evaluations conducted pursuant to NRS 702.280.

3. Except as otherwise provided in subsection 4, to be eligible to receive assistance from the Division pursuant to this section, a household must have a household income that is not more than 150 percent of the federally designated level signifying poverty, as determined by the Division.

4. The Division is authorized to render emergency assistance to a household if an emergency related to the cost or availability of natural gas or electricity threatens the health or safety of one or more of the members of the household. Such emergency assistance may be rendered upon the good faith belief that the household is otherwise eligible to receive assistance pursuant to this section.

5. Before July 1, 2002, if a household is eligible to receive assistance pursuant to this section, the Division shall determine the amount of assistance that the household will receive by using the existing formulas set forth in the state plan for low-income home energy assistance.



6. On or after July 1, 2002, if a household is eligible to receive assistance pursuant to this section, the Division:

(a) Shall, to the extent practicable, determine the amount of assistance that the household will receive by determining the amount of assistance that is sufficient to reduce the percentage of the household's income that is spent on natural gas and electricity to the median percentage of household income spent on natural gas and electricity statewide.

(b) May adjust the amount of assistance that the household will receive based upon such factors as:

(1) The income of the household;

(2) The size of the household;

(3) The type of energy that the household uses; and

(4) Any other factor which, in the determination of the Division, may make the household particularly vulnerable to increases in the cost of natural gas or electricity.

7. The Division shall adopt regulations to carry out and enforce the provisions of this section and NRS 702.250.

8. In carrying out the provisions of this section, the Division shall:

(a) Solicit advice from the Housing Division and from other knowledgeable persons;

(b) Identify and implement appropriate delivery systems to distribute money from the Fund and to provide other assistance pursuant to this section;

(c) Coordinate with other federal, state and local agencies that provide energy assistance or conservation services to low-income persons and, to the extent allowed by federal law and to the extent practicable, use the same simplified application forms as those other agencies;

(d) Establish a process for evaluating the programs conducted pursuant to this section;

(e) Develop a process for making changes to such programs; and

(f) Engage in annual planning and evaluation processes with the Housing Division as required by NRS 702.280.

9. For the purposes of this section, "eligible household" includes, without limitation:

(a) A tenant of a *manufactured home park or* mobile home park subject to the provisions of NRS 704.905 to 704.960, inclusive; and

(b) A tenant who purchases electricity from a landlord as described in paragraph (c) of subsection 2 of NRS 702.090 based on the actual usage of electricity by the tenant.



Sec. 3. NRS 704.7808 is hereby amended to read as follows:

704.7808 1. “Provider of electric service” and “provider” mean any person or entity that is in the business of selling electricity to retail customers for consumption in this State, regardless of whether the person or entity is otherwise subject to regulation by the Commission.

2. The term includes, without limitation, a provider of new electric resources that is selling electricity to an eligible customer for consumption in this State pursuant to the provisions of chapter 704B of NRS.

3. The term does not include:

(a) This State or an agency or instrumentality of this State.

(b) A rural electric cooperative established pursuant to chapter 81 of NRS.

(c) A general improvement district established pursuant to chapter 318 of NRS.

(d) A utility established pursuant to chapter 709 or 710 of NRS.

(e) A cooperative association, nonprofit corporation, nonprofit association or provider of electric service which is declared to be a public utility pursuant to NRS 704.673 and which provides service only to its members.

(f) A landlord of a *manufactured home park or* mobile home park or owner of a company town who is subject to any of the provisions of NRS 704.905 to 704.960, inclusive.

(g) A landlord who pays for electricity that is delivered through a master meter and who distributes or resells the electricity to one or more tenants for consumption in this State.

Sec. 4. NRS 704.7818 is hereby amended to read as follows:

704.7818 1. “Retail customer” means an end-use customer that purchases electricity for consumption in this state.

2. The term includes, without limitation:

(a) This state, a political subdivision of this state or an agency or instrumentality of this state or political subdivision of this state when it is an end-use customer that purchases electricity for consumption in this state, including, without limitation, when it is an eligible customer that purchases electricity for consumption in this state from a provider of new electric resources pursuant to the provisions of chapter 704B of NRS.

(b) A residential, commercial or industrial end-use customer that purchases electricity for consumption in this state, including, without limitation, an eligible customer that purchases electricity for consumption in this state from a provider of new electric resources pursuant to the provisions of chapter 704B of NRS.



(c) A landlord of a *manufactured home park or* mobile home park or owner of a company town who is subject to any of the provisions of NRS 704.905 to 704.960, inclusive.

(d) A landlord who pays for electricity that is delivered through a master meter and who distributes or resells the electricity to one or more tenants for consumption in this state.

Sec. 5. NRS 704.905 is hereby amended to read as follows:

704.905 As used in NRS 704.905 to 704.960, inclusive:

1. "Alternative seller" has the meaning ascribed to it in NRS 704.994.

2. "Company town" means a community whose primary purpose is to provide housing to employees of a person who owns not less than 70 percent of the dwellings, and may include commercial or other supporting establishments.

3. "Dwelling" includes a commercial or other supporting establishment.

4. "Utility" includes a public utility and all city, county or other governmental entities which provide electric, gas or water service to a *manufactured home park*, mobile home park or a company town.

Sec. 6. NRS 704.910 is hereby amended to read as follows:

704.910 1. The provisions of NRS ~~704.910~~ **704.905** to 704.960, inclusive, apply to ~~mobile~~ *manufactured* home parks governed by the provisions of ~~chapters~~ *chapter* 118B ~~and~~ *of NRS, mobile home parks governed by the provisions of chapter* 461A of NRS, utilities and alternative sellers which provide utility service to those parks and landlords who operate those parks.

2. A utility or an alternative seller which provides gas, water or electricity to any landlord exclusively for distribution or resale to tenants residing in *manufactured homes or* mobile homes or for the landlord's residential use shall not charge the landlord for those services at a rate higher than the current rates offered by the utility or alternative seller, as appropriate, to its residential customers.

Sec. 7. NRS 704.920 is hereby amended to read as follows:

704.920 1. The provisions of NRS ~~704.920~~ **704.905** to 704.960, inclusive, apply to company towns, utilities and alternative sellers which provide utility services to company towns, and persons who own and operate company towns.

2. The Commission shall require a public utility or an alternative seller, as appropriate, which provides utility services to a *manufactured home park*, mobile home park or to a company town, or an independent person who is qualified, to conduct examinations to examine and test the lines and equipment for distributing



electricity and gas within the park or town at the request of the Manufactured Housing Division of the Department of Business and Industry or a city or county which has responsibility for the enforcement of the provisions of chapter *118B or* 461A of NRS. The utility or alternative seller, the person selected to conduct the examination and the Commission may enter a *manufactured home park*, mobile home park or company town at reasonable times to examine and test the lines and equipment, whether or not they are owned by a utility or an alternative seller.

3. The utility or alternative seller, as appropriate, or the person selected to conduct the examination, shall conduct the examination and testing to determine whether any line or equipment is unsafe for service under the safety standards adopted by the Commission for the maintenance, use and operation of lines and equipment for distributing electricity and gas, and shall report the results of the examination and testing to the Commission.

4. The owner of the *manufactured home park*, mobile home park or company town shall pay for the costs of the examination and testing.

5. If the landlord of a *manufactured home park or* mobile home park or owner of a company town refuses to allow the examination and testing to be made as provided in this section, the Commission shall deem the unexamined lines and equipment to be unsafe for service.

6. If the Commission finds:

(a) Or deems any lines or equipment within a *manufactured home park*, mobile home park or company town to be unsafe for service, it shall take appropriate action to protect the safety of the residents of the park or town.

(b) Such lines or equipment to be unsafe for service or otherwise not in compliance with its safety standards, it may, after a hearing, order the landlord or owner to repair or replace such lines and equipment. For this purpose, the landlord or owner may expend some or all of the money in the landlord's or owner's account for service charges for utilities, which the landlord or owner is required to keep under NRS 704.940.

Sec. 8. NRS 704.930 is hereby amended to read as follows:

704.930 If a utility or an alternative seller provides a utility service to a *manufactured home park*, mobile home park or company town and the landlord of the park or owner of the *company* town charges the tenants or the occupants of such dwellings for that service, the landlord or owner shall:



1. Provide that service to the tenants or the occupants of such dwellings in a manner which is consistent with the utility's tariffs on file with the Commission, if applicable, and any law, ordinance or governmental regulation relating to the provision of that service. The landlord or owner of the town shall not interrupt such a service for nonpayment of charges unless the interruption is performed in a manner which is consistent with the utility's tariffs on file with the Commission, if applicable, and any law, ordinance or governmental regulation relating to the manner of interrupting such a service for nonpayment of charges.

2. Not more than 5 days after the landlord or owner of the town receives notice of a proposed increase in the rates of the utility service, give notice to the tenants or those occupants of the proposed increase.

Sec. 9. NRS 704.940 is hereby amended to read as follows:

704.940 1. In a *manufactured home park*, mobile home park or company town where the landlord or owner is billed by a gas or electric utility or an alternative seller and in turn charges the tenants or occupants of the dwellings for the service provided by the utility or alternative seller, and the park or town:

(a) Is equipped with individual meters for each lot, the landlord or owner shall not charge a tenant or occupant for that service at a rate higher than the rate paid by the landlord or owner.

(b) Is not equipped with individual meters for each lot, the landlord or owner shall prorate the cost of the service equally among the tenants of the park or occupants of the dwellings who use the service, but the prorated charges must not exceed in the aggregate the cost of the service to the landlord or owner.

2. In a *manufactured home park*, mobile home park or company town that:

(a) Is equipped with individual water meters for each lot, the individual meters must be read and billed by the purveyor of the water.

(b) Is not equipped with individual water meters for each lot and the landlord or owner is billed by the purveyor of the water and in turn charges the tenants or occupants of the dwellings for the service provided by the purveyor, the landlord or owner shall prorate the cost of the service equally among the tenants of the park or occupants of the dwellings who use the service, but the prorated charges must not exceed in the aggregate the cost of the service to the landlord or owner.

➔ The landlord or owner of a *manufactured home park or* mobile home park that converts from a master-metered water system to



individual water meters for each mobile home lot shall not charge or receive any fee, surcharge or rent increase to recover from the landlord's or owner's tenants the costs of the conversion. The owner of a company town that is not equipped with individual water meters shall not convert from the master-metered water system to individual water meters.

3. To the extent that the cost of providing a utility service to the common area of a *manufactured home park*, mobile home park or company town can be identified, the landlord or owner may not recover the cost of the utility service provided to the common area by directly charging a tenant or the occupant of a dwelling for those services.

4. The landlord of a *manufactured home park or* mobile home park or owner of a company town may assess and collect a charge to reimburse the landlord or owner for the actual cost of the service charge the landlord or owner is required to pay to a water utility serving the park or town. If the landlord or owner collects such a charge, the landlord or owner shall prorate the actual cost of the service charge to the tenants or occupants of dwellings who use the service. The landlord or owner shall not collect more than the aggregate cost of the service to the landlord or owner.

5. The landlord may assess and collect a service charge from the tenants of the park for the provision of gas and electric utility services, but the amount of the charge must not be more than the tenants would be required to pay the utility or alternative seller providing the service. The landlord shall:

(a) Keep the money from the service charges in a separate account and expend it only for federal income taxes which must be paid as a result of the collection of the service charge, for preventive maintenance or for repairing or replacing utility lines or equipment when ordered or granted permission to do so by the Commission; and

(b) Retain for at least 3 years a complete record of all deposits and withdrawals of money from the account and file the record with the Commission on or before March 30 of each year.

6. Money collected by the landlord or owner for service provided by a utility or an alternative seller to the tenants of a *manufactured home park or* mobile home park or occupants of the dwellings may not be used to maintain, repair or replace utility lines or equipment serving the common area of the *manufactured home park*, mobile home park or company town.

7. The owner of a company town who provides a utility service directly to the occupants of the town may charge the occupants their



pro rata share of the owner's cost of providing that service. Where meters are available, the pro rata share must be based on meter readings. Where meters are not available, the owner shall determine a fair allocation which must be explained in detail to the Commission in the reports required by NRS 704.960. The Commission may modify the allocation in accordance with its regulations if it determines the owner's method not to be fair. The Commission shall adopt regulations governing the determination of the costs which an owner of a company town may recover for providing a utility service directly to the occupants of that town and the terms and conditions governing the provision of that service.

8. The landlord or owner shall itemize all charges for utility services on all bills for rent or occupancy. The landlord or owner may pass through to the tenant or occupant any increase in a rate for a utility service and shall pass through any decrease in a charge for a utility service as it becomes effective.

9. The landlord or owner shall retain for at least 3 years a copy of all billings for utility services made to the tenants or the occupants of the landlord's or owner's dwellings and shall make these records available upon request to the Commission for verification of charges made for utility services.

10. A landlord whose interest in a *manufactured home park or mobile home park* terminates for any reason shall transfer to the landlord's successor in interest any balance remaining in the account for service charges for utilities. Evidence of the transfer must be filed with the Commission.

11. The Commission may at any time examine all books and records which relate to the landlord's or owner's purchase of or billing for a service provided by a utility or an alternative seller if the landlord or owner is charging the tenants of the *manufactured home park or mobile home park* or occupants of the dwellings for that service.

Sec. 10. NRS 704.950 is hereby amended to read as follows:

704.950 1. The tenant of a lot in a *manufactured home park or mobile home park* or occupant of a dwelling in a company town who believes that the landlord or owner has violated the provisions of NRS 704.930, 704.940 or 704.960 may complain to the Division of Consumer Complaint Resolution of the Commission. The Division shall receive and promptly investigate the complaint. If the Division is unable to resolve the complaint, the Division shall transmit the complaint and its recommendation to the Commission.

2. The Commission shall investigate, give notice and hold a hearing upon the complaint, applying to the extent practicable the



procedures provided for complaints against public utilities in chapter 703 of NRS.

3. If the Commission finds that the landlord of the *manufactured home park or* mobile home park or owner of the company town has violated the provisions of NRS 704.930, 704.940 or 704.960, it shall order the landlord or owner to cease and desist from any further violation. If the violation involves an overcharge for a service, the Commission shall determine the amount of the overcharge and order the landlord or owner to return that amount to the tenant or occupant within a specified time.

4. If the landlord or owner fails or refuses to comply with its order, the Commission may compel compliance by any appropriate civil remedy available to it under this chapter. For the purposes of compelling compliance by the landlord or owner, the Commission may use such methods as are available for the Commission to compel the compliance of a public utility.

Sec. 11. NRS 704.960 is hereby amended to read as follows:

704.960 Each landlord of a *manufactured home park or* mobile home park or owner of a company town *who is billed by a utility or an alternative seller and in turn charges the tenants or occupants of the dwellings for the service provided by the utility or alternative seller* shall submit an annual report to the Commission. The report must contain detailed information on the collections and expenditures of the landlord's or owner's account for service charges for utilities, information necessary to determine compliance with NRS 704.940, details of any changes in ownership during the period covered by the report and such other information as the Commission deems necessary to determine whether the landlord or owner has complied with the provisions of this chapter which apply to *manufactured home parks*, mobile home parks and company towns. The Commission shall by regulation provide for the annual filing of the reports.

Sec. 12. This act becomes effective:

1. Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks necessary to carry out the provisions of this act; and
2. On January 1, 2016, for all other purposes.

