Chairman Robinson called the meeting to order at 3:20 p.m. in Room 200 of the Legislative Building.

MEMBERS PRESENT: MR. BENNETT
MR. BRADY (LATE-EXCUSED)
MR. BREMNER
MR. CHANEY
MR. DINI
MR. DUBOIS
MR. JEFFREY
MR. KOVACS (LATE-EXCUSED)
MR. PRENGAMAN (LATE-EXCUSED)
MR. RUSK (LATE-EXCUSED
DR. BOBINSON

The first bill for discussion was A.B. 30.

A.B. 30: REVISES LANDLORD AND TENANT RELATIONSHIPS IN MOBILE HOME PARKS.

Dr. Robinson referred to the volumes of mail he had received both in support of and in opposition to A.B. 30 and 31. He also said that he had just received a petition, which was signed by 1,400 voters in favor of A.B. 30.

Dr. Robinson informed the Committee members that they would be voting on A.B. 30 and that if they should decide to kill the bill, he hoped the section referring to closed parks would somehow be retained. He mentioned a request from the Attorney General to incorporate the section on closed parks into A.B. 31 or into some other mobile home legislation.

The Chairman also indicated that there were portions of A.B. 31 that had the support of some of the counties. He then read portions of a summary prepared by Don Rhodes. The entire summary is attached as "EXHIBIT A." He also referred to the resolution presented by the subcommittee on A.B. 30 and 31, which is attached as "EXHIBIT B". Dr. Robinson went on to read a final plea for passage of A.B. 30, and A.B. 31, from Shannon Zivic, president of the Mobile Home Owners League of the Silver State. This plea is also attached as "EXHIBIT C and C-1".

Mr. Prengaman then passed out a page from the "Californian", the official publication of the Golden State Mobilehome Owners League, Inc. He read portions of the page, which is attached as "EXHIBIT D". Mr. Prengaman indicated that the alternative plan that was described in the article "showed promise"; that it had a sunset provision, and that it was an idea worth considering.

There was discussion from Mr. Rusk to the effect that he did not think Mr. Prengaman's presentation of the article on behalf of Ms. Zivic was proper unless input from the opposing side was also entered as evidence.

Chairman Robinson interceded by saying that the article addressed the amendment to A.B. 30 and if anyone wished to present information in opposition to that amendment, he would be willing to accept it.

Mr. Prengaman then mentioned that the amendment to A.B. 30 did not contain a sunset provision as he had earlier stated, but he added that such a provision could be added.

Dr. Robinson referred to Amendment No. 404 to A.B. 30, A copy of this amendment is attached as "EXHIBIT E". He added that the subcommittee had recommended an indefinite postponement of A.B. 30 and to give no consideration to this amendment. In its place, he commented, the subcommittee had suggested the adoption of the resolution mentioned above as "EXHIBIT B". Dr. Robinson proceeded to explain Amendment No. 404 to the committee members.

There was discussion among the members with respect to whether or not local governments had the arthority to regulate rents. It was mentioned that the interim committee had ascertained that the local governing bodies did not have any legislative authority, which was one of the reasons why A.B. 30 had been drafted.

MR. PRENGAMAN MADE THE MOTION TO ADOPT AMENDMENT NO. 404 WITH A SUNSET PROVISION FOR JULY 1, 1983. THE MOTION WAS SECONDED BY MR. JEFFREY.

Mr. Kovacs stated that he wanted to point out that the amendment called for "binding arbitration and mediation".

Mr. Prengaman noted that the amendment did say that local bodies "shall adopt" and that he further wished to amend the amendment by changing the wording to "may adopt". He then explained how the local governments might wish to adopt arbitration and mediation ordinances and how such ordinances might theoretically work.

Mr. Bremner indicated that Mr. Prengaman's description was a little vague and that he wanted to know "exactly" how it would work.

Mr. Prengaman responded that an exact explanation was impossible because each governing body was free to adopt its own ordinances and regulations.

Dr. Robinson then added that the amendment only applied to mobile home parks that were in operation prior to July 1, 1979 and explained the logic behind that particular date.

Mr. Rusk questioned if singling out specific parks in such a manner was constitutional.

There was further discussion between the members concerning the inequities of excluding certain parks from the legislation.

Mr. Rusk remarked that he did not feel binding arbitration should be imposed on any park, regardless of when it was in operation.

Legislative Counsel, Frank Daykin was then called to the meeting to give testinony on the constitutionality of the application of Amendment No. 404. Mr. Daykin indicated that the concept of arbitration would be implemented only in the event of an emergency situation. He added that if the classification of parks was based on separation of the new parks from the old parks, the classification could probably be sustained because of the difference in the costs of construction between the older and the newer parks.

There was additional discussion between Mr. Daykin and the committee members of the inequities that would result where parks had been sold at prices greater than the original construction costs. It was also suggested by Mr. Dini that perhaps the classification could be based on the time of construction of the parks. Mr. Daykin indicated that by exempting those parks which were constructed after a specific date, the constitutional problem would be avoided.

Mr. Daykin responded to a question from Mr. Kovacs by saying that "binding arbitration" was the practical equivalent" of rent control, and that such arbitration or control could be imposed only in an emergency situation.

Mr. Dini commented that binding arbitration would have a cost factor and he wondered who would pay the costs. Mr. Prengaman responded that the law itself would not have to spell out who would have to pay for the arbitration; that matter could be left to the discretion of the local governments.

MR. DINI MADE A MOTION TO AMEND THE PREVIOUS MOTION TO ADOPT AMENDMENT NO. 404 BY POSTPONING ANY ACTION ON THE AMENDMENT UNTIL NEXT WEDNESDAY AT 2:00, AT WHICH TIME ACTION WOULD BE TAKEN ON THE AMENDMENT. THE MOTION WAS SECONDED BY MR. BREMNER.

In response to the motion Mr. Rusk stated that an excess amount of time had already been spent on the bill and that he was opposed to any type of rent control or binding arbitration. He added that he would be in favor of a motion on the two bills, A.B. 30 and A.B. 31, instead of postponing action until a later date.

THE COMMITTEE THEN VOTED ON MR. DINI'S MOTION TO AMEND MR. PRENGAMAN'S MOTION ON AMENDMENT NO 404. THE VOTE WAS FIVE YEAS AND SIX NAYS. MR. DINI'S MOTION WAS DEFEATED. (See the attached legislative action form for details on the vote).

Dr. Robinson then read from the summary on A.B. 30 as it pertained to Sections 5 and 6 of the bill. The summary, prepared by the Legislative Counsel Bureau, is attached as "EXHIBIT F".

Mr. Brady questioned why certain provisions had been placed in A.B. 30, specifically, why there needed to be language concerning guests or

residents. It was explained by Dr. Robinson that tenants had had problems with the owners or managers of the moble home parks in that they restricted the tenants' rights to have guests in their homes.

MR. RUSK MOVED FOR THE INDEFINITE POSTPONEMENT OF A.B. 30. THE MOTION WAS SECONDED BY MR. DINI.

Mr. Prengaman commented that he would like to see some of the other provisions of A.B. 30 salvaged because they were really needed. He suggested that Section 2 of the bill be amended out and that the Committee give consideration to the remaining portions.

Mr. Jeffrey commented that he preferred to incorporate any provisions that the Committee wished to save out of the two bills, A.B. 30 and and A.B. 31, into new bills because the two bills themselves had become "tainted."

THE COMMITTEE THEN VOTED ON MR. RUSK'S MOTION. THE VOTE WAS EIGHT (8) YEAS AND THREE (3) NAYS. THE MOTION MASSED. (See the attached Legislation Action form for details on the vote.

MR. KOVACS MADE A MOTION THAT THE COMMITTEE CONSIDER THE RESOLUTION PROPOSED BY THE SUBCOMMITTEE (ATTACHED AS EXHIBIT B). THE MOTION WAS SECONDED BY MR. BRADY.

Mr. Kovacs gave a brief explanation of the resolution adding that it did address a number of the problems that mobile home owners were having in rental parks.

Mr. Prengaman remarked that he was opposed to the resolution because the problems of the mobile home owners could not be addressed by a resolution; that positive action was needed. He said, "I'd rather do nothing than this. It's not even worth the paper it's printed on."

Mr. Brady then indicated that he would withdraw his second, but that he agreed that educating the people of the solutions and remedies that were available to them was necessary.

There was additional discussion on the need for educating mobile home owners and a comment from Mr. Prengaman: "The people I represent need relief, not education".

MR. RUSK THEN GAVE HIS SECOND TO MR. KOVAC'S ORIGINAL MOTION FOR A COMMITTEE INTRODUCTION OF THE RESOLUTION AND TO HAVE THE RESOLUTION REFERRED BACK TO COMMITTEE. THERE WERE 8 YEAS AND 2 NAYS. (See the attached Legislative Action Form for details on the vote).

Chairman Robinson then opened the hearing on A.B. 31.

A.B. 31: PROVIDES FOR REGULATION OF MOBILE HOME PARKS.

Dr. Robinson read portions of the summary of the provisions of A.B.31

which had been prepared by the Legislative Counsel Bureau, and is attached as "EXHIBIT F". He also described some of the problems that mobile home owners were having with the master metering systems in some of the rental parks.

Dr. Robinson mentioned the housing code provisions for mobile home parks that were addressed in A.B. 31 and asked Wayne Tetrault, Administrator of the Manufactured Housing Division, to give a further explanation; which he did.

Mr. Kovacs asked if Sections 2 through 27 of A.B. 31 could not be included in A.B. 412. Mr. Tetrault indicated that they could. Mr. Kovacs then suggested that a subcommittee be appointed to draft amendments to A.B. 412 to include portions of A.B. 31.

Dr. Robinson indicated that he would work with Mr. Tetrault on combining sections of A.B. 31 with A.B. 412. He added that if there was no objection, he would also like to include the section on closed parks from A.B. 30. The committee members indicated that there was no objection to including that provision.

Chairman Robinson then indicated that he would have a subcommittee meeting at 8:00 Thursday morning (tomorrow) in Room 200 to discuss the inclusion of portions of A.B. 30 and 31 into A.B. 412. He invited members of local governments. representatives of mobile home owners and representatives of park owners to attend the meeting and contribute their ideas.

MR. KOVACS THEN MADE THE MOTION TO INDEFINITELY POSTPONE A.B. 31 WITH THE UNDERSTANDING THAT A SUBCOMMITTEE WILL WORK ON THE BILL TO SEE WHAT CAN BE SALVAGED OUT OF IT TO BE AMENDED INTO ANOTHER BILL, A.B. 412. THE MOTION WAS SECONDED BY MR. DUBOIS. THE REMAINING MEMBERS OF THE COMMITTEE VOTED YEA ON MR. KOVAC'S MOTION WITH THE EXCEPTION OF MR. PRENGAMAN, WHO VOTED NO. THE MOTION PASSED WITH A VOTE OF 7 TO 1.

Chairman Robinson then opened the hearing on S.B. 361..

S.B. 361: MAKES EXTRA CHARGE BY PRACTITIONER OF HEALING ART FOR FILLING OUT INSURANCE FORM AN UNETHICAL PRACTICE.

Testifying on S.B. 361 was Senator Hernstadt. He indicated that the bill before the Committee bore little resemblance to the original version of the bill. He said that the bill in its present form would require insurance carriers to recognize the charges to patients for filling out medical forms, and that they reimburse the insured for such charges. Senator Hernstadt urged the Committee's support of S.B. 361.

In opposition to the bill, was W. Ray Rothwell, President of Blue Shield of Nevada. He said that approximately one half of the doctors in Nevada had insurance clerks to fill out insurance forms, and that the charge for an office call by those doctors that hire such clerks

are not significantly different from the doctors that do not hire such clerks. He said that to pass these charges on to the insurance company would be a "billing fee" and that the bill is very discriminatory to the citizens of Nevada for 3 reasons:

1. The bill excludes several catagories of insurance carriers, specifically, self insured programs.

2. Premiums would be raised to all insureds as a result of the bill.

3. The premise of containment of the costs of health care be desolved by the implementation of the bill.

He concluded his remarks by saying that if every claim that had been filed with Blue Shield had a $5.00 claim for reimbursement of charges for filling out insurance forms, the cost of benefits paid out by the company would have increased by 3 ½ million dolars last year. Mr. Rothwell presented a copy of a letter that he had sent to Senator Hernstadt as a part of the record. The letter is attached as EXHIBIT G.

Also speaking in opposition to S.B. 361 was Milos Terzich, representing the American Counsel of Life Insurance. He said that not all doctors charge fees for filling out insurance forms, and that this bill would make it more enticing for doctors to charge such fees.

Mr. Bremner commented that four years ago he had introduced the exact same piece of legislation, which was killed in the Assembly.

MR. DINI MOVED TO INDEFINITELY POSTPONE S.B. 361. THE MOTION WAS SECONDED BY MR. KOVACS.

As a matter of record, Georgia Massey, representing the Insurance Division, stated that the passage of the bill was not recommended.

THE REMAINING MEMBERS OF THE COMMITTEE VOTED TO INDEFINATELY POSTPONE S.B. 361. MR. BREMNER ABSTAINED INDICATING THAT HE COULD BE IN POSSIBLE CONFLICT OF INTEREST. (See the attached Legislative Action form for details on the vote.)

The chairman then opened the hearing on A.B. 474.

A.B. 474: REMOVES PROHIBITION AGAINST INVESTMENTS IN AGRICULTURAL OR RANCH PROPERTY BY INSURERS.

Presenting the bill to the Committee was Milos Terzich, representing The Prudential Insurance company of America. He said that the bill had been requested to clarify the law. He went on to say that the only substantial change occurs in line 9, page 2. Mr. Terzich stated that he had attempted to trace the history on the prohibition and that the only thing he could acertain was that in earlier days, agricultural or ranch property was considered to be high risk. He added that passage of the bill would bring new investment money into Nevada thereby assisting farmers and ranchers in the state.

Mr. Terzich suggested an amendment to the bill and presented the Committee with a copy of that amendment, which is attached as "EXHIBIT H".

There being no further testimony on A.B. 474, Chairman Robinson opened the hearing on A.B. 508.

A.B. 508: EXCLUDES FROM LIMITATION ON INTEREST RATE SHARE OF APPRECIATION OF REAL PROPERTY RESERVED BY LENDER.

There were no witnesses testifying for or against A.B. 508, so Chairman Robinson opened the hearing on S.B. 366:

S.B. 366: PROVIDES FOR SEPARATE LICENSING OF COSMETICIANS.

Testifying on behalf of S.B. 366 was Charles Azcarate, President of the Nevada Cosmetology School Association. He indicated that the Association agreed with the principal of the bill but was opposed to some of the wording. It was ascertained that the bill had been introduced by Senator Raggio for Jacqueline Hawkins of Faces Skin Care Center.

Mr. Azcarate indicated that on page 2, line 25 of the bill, the definition of "Jr. Operator" had been changed by the bill drafter when it should not have been. He said he wanted to see that definition returned to its original state. He also indicated that he wanted to see the numbers of minimum hours required for training on line 41, page 2 changed from 300 to 600 hours. He added that this change was supported by the Association and the instructors of the course. He said that 600 hours was comparable to what was required in most other states, although some did have 300 or fewer hours. He reasoned that 600 hours was needed because of the complexity of the course. Mr. Azcarate also said that he found Section 13 to be confusing.

Dr. Robinson responded that he thought Section 13 was a "grandfathering clause".

Mr. Azcarate then remarked that such a clause opened the profession to potential dangers because people who are not qualified, could be grandfathered into the law. He gave further details of what a cosmetrician would be required to do.

Dr. Robinson questioned if a reciprocity clause would be better than a grandfather clause. It was noted by a member of the audience that Nevada already had a reciprocity clase.

Senator Raggio, from Washoe District 1, came forward to testify that he had introduced the bill for Ms. Jackie Hawkins, the owner of a salon in Reno. He indicated that most of the language of the law was taken by the bill drafter from the California statutes. Senator Raggio indicated that he had received no response from the State

Board of Cosmetology after he had supplied them with a draft of the bill for their input and comments. The Senator indicated that he wanted to assure the Committee that the bill drafter had made no substantive changes to the remainder of the cosmetology law other than to enhance some of the definitions.

Dr. Robinson asked if any of the fees had been changed. Senator Raggio responded that the only changes to that section were to include a new fee for examination of a cosmetician, and to include all fees for reexamination into a single line.

Jackie Hawkins, of Faces, then testified that changing hours of training from 300 to 600 was fine with her. She said that the people who are now doing facials are not qualified and that Nevada would be wise to establish a new classification with more training, like other states have done. (Exhibit I)

Mr. Dave Purcell, representing the Board of Cosmetology, testified that he would like to see the age limit on page 2, line 36, lowered to 16 from 18.

Mr. Kovacs remarked that the rest of the cosmetology laws require a person to be 18 years of age.

There ensued discussion between Mr. Purcell and some of the Committee members as to the advisability of lowering the age limit to 16.

Next to testify was Olga Tavcar, an aestetician. She read a quote from a text book for aesteticians, whch stated that the profession required individuals to possess a good knowledge of the skin. She went on to stress that a comprehensive training program of at least 600 hours was needed. Ms. Tavcar also elaborated on methods of schooling in Europe. She said that she had had more than 600 hours of training to become an aestetician.

There was further discussion about the age limit for cosmeticians or aeteticians as well as the cost of training in the field.

Dr. Robinson closed the hearing on S.B. 366.

Mr. Jack Kenney, representing the Southern Nevada Home Builders, indicated that (WITH REFERENCE TO A.B. 508) enabling legislation would first have to be drafted before the bill could be put into effect. He suggested postponing discussion and hearings on the bill until further information could be gathered.

Dr. Robinson indicated that he would postpone such hearings and reschedule the bill at the same time that work sessions were to be held on S.B. 101.

There being no further testimony, Dr. Robinson adjourned the meeting at 6:29 p.m.

Respectfully submitted:

EVELYN EDWARDS
Committee Secretary

ASSEMBLY COMMERCE COMMITTEE

GUEST LIST

DATE: 4/22/81

PLEASE PRINT YOUR NAME	PLEASE PRINT WHO YOU REPRESENT	I WISH TO SPEAK FOR	AGAINST	BILL NO.
[illegible]	[illegible]	~		SB 366
[illegible]	[illegible]	✓		SB 366
Olga Tavor	Home Cosmetic - Skin Care	✓		SB 366
[illegible]	[illegible]	✓		SB 366
[illegible]	Blue Shield		X	SB 361
[illegible]	" "			
Milos Terzich	Prudential Ins. Co. of A.	✓		AB 474
"	Am. Council of Life Ins.		X	SB 361
JACK KENNICK	SO NEV HOME BUILDERS			AB 508

CC

61st SESSION NEVADA LEGISLATURE

ASSEMBLY COMMERCE COMMITTEE

LEGISLATION ACTION

DATE April 22, 1981

SUBJECT Amendment No. 404 to A.B. 30

MOTION:

Do Pass ____ Amend X Indefinitely Postpone ____ Reconsider ____

Moved By Mr. Prengaman Seconded By Mr. Jeffrey

AMENDMENT: Amend to include a sunset provision and change Sec. 2, page 1 line 3 from "shall" back to "may"

Moved By _____ Seconded By _____

AMENDMENT: To postpone taking action on Amendment No. 404 until next Wednesday (April 29th) at 2:00 p.m.

Moved By Mr. Dini Seconded By Mr. Bremner

	MOTION		AMEND		AMEND	
VOTE:	Yes	No	Yes	No	Yes	No
BENNETT		X		X		
BRADY		X		X		
BREMNER		X	X			
CHANEY		X		X		
DINI		X	X			
DUBOIS		X		X		
JEFFREY	X		X			
KOVACS		X		X		
PRENGAMAN	X		X			
RUSK		X		X		
ROBINSON	X		X			
TALLY:	3	8	5	6		

ORIGINAL MOTION: Passed _____ Defeated X Withdrawn _____

AMENDED & PASSED _____ AMENDED & DEFEATED _____

AMENDED & PASSED _____ AMENDED & DEFEATED _____

Attached to Minutes April 22, 1981

61st SESSION NEVADA LEGISLATURE

ASSEMBLY COMMERCE COMMITTEE

LEGISLATION ACTION

DATE April 22, 1981

SUBJECT A.B. 31: Provides for regulation of mobile home parks.

MOTION:

Do Pass ____ Amend ____ Indefinitely Postpone X* Reconsider ____

Moved By Mr. Kovacs Seconded By Mr. DuBois

AMENDMENT: * With the understanding that a subcommittee will work on the bill to see what can be salvaged out of it to amend into another bill, specifically A.B. 412.

Moved By ____ Seconded By ____

AMENDMENT: ____

Moved By ____ Seconded By ____

	MOTION		AMEND		AMEND	
VOTE:	Yes	No	Yes	No	Yes	No
BENNETT						
BRADY	X					
BREMNER	X					
CHANEY						
DINI						
DUBOIS	X					
JEFFREY	X					
KOVACS	X					
PRENGAMAN		X				
RUSK	X					
ROBINSON	X					
TALLY:	7	1				

ORIGINAL MOTION: Passed X Defeated ____ Withdrawn ____

AMENDED & PASSED ____ AMENDED & DEFEATED ____

AMENDED & PASSED ____ AMENDED & DEFEATED ____

Attached to Minutes April 22, 1981

61st SESSION NEVADA LEGISLATURE

ASSEMBLY COMMERCE COMMITTEE

LEGISLATION ACTION

DATE April 22, 1981

SUBJECT A.B. 30: Revises landlord and tenant relationships in mobile home parks.

MOTION:

Do Pass ____ Amend ____ Indefinitely Postpone X Reconsider ____

Moved By Mr. Rusk Seconded By Mr. DuBois

AMENDMENT: _____

Moved By _____ Seconded By _____

AMENDMENT: _____

Moved By _____ Seconded By _____

	MOTION		AMEND		AMEND	
VOTE:	Yes	No	Yes	No	Yes	No
BENNETT	X					
BRADY	X					
BREMNER	X					
CHANEY	X					
DINI	X					
DUBOIS	X					
JEFFREY		X				
KOVACS	X					
PRENGAMAN		X				
RUSK	X					
ROBINSON		X				
TALLY:	8	3				

ORIGINAL MOTION: Passed X Defeated ____ Withdrawn ____

AMENDED & PASSED _____ AMENDED & DEFEATED _____

AMENDED & PASSED _____ AMENDED & DEFEATED _____

Attached to Minutes April 22, 1981

61st SESSION NEVADA LEGISLATURE

ASSEMBLY COMMERCE COMMITTEE

LEGISLATION ACTION

DATE April 22, 1981

SUBJECT S.B. 361: Makes extra charge by practitioner of healing art for filing out insurance form an unethical practice.

MOTION:

Do Pass ____ Amend ____ Indefinitely Postpone X Reconsider ____

Moved By Mr. Dini Seconded By Mr. Kovacs

AMENDMENT: _____

Moved By _____ Seconded By _____

AMENDMENT: _____

Moved By _____ Seconded By _____

	MOTION		AMEND		AMEND	
VOTE:	Yes	No	Yes	No	Yes	No
BENNETT						
BRADY	X					
BREMNER	Abstaining					
CHANEY						
DINI	X					
DUBOIS	X					
JEFFREY	X					
KOVACS	X					
PRENGAMAN						
RUSK						
ROBINSON	X					
TALLY:	6	0				

ORIGINAL MOTION: Passed X Defeated ____ Withdrawn ____

AMENDED & PASSED _____ AMENDED & DEFEATED _____

AMENDED & PASSED _____ AMENDED & DEFEATED _____

Attached to Minutes April 22, 1981

EXHIBIT A

SUMMARY OF THE PROVISIONS OF A.B. 30

Assembly Bill 30 contains several of the recommendations made by the legislative commission's subcommittee which studied the problems of owners and renters of mobile homes during the 1979-81 legislative interim. Those recommendations relate to:

1. Punitive damages for violations of the mobile home landlord tenant law;

2. Criteria for mobile home park rules relating to guests and children in mobile home parks;

3. Closed parks;

4. Extended length of notice for adopted or amended rules in mobile home parks;

5. The membership on mobile home park landlord mediation boards; and

6. Mobile home park space rent review.

This summary addresses the subcommittee's suggested remedies to deal with those issues and problems and identifies the sections in A.B. 30 where the recommendations are contained.

1. Punitive Damages for Violations of the Mobile Home Landlord Tenant Law

The mobile home park landlord tenant law contains criminal penalties for violations of its provisions. The interim subcommittee believed civil action and administrative sanctions are more effective tools for ensuring compliance with the laws relating to mobile homes and made recommendations to that effect.

During its study, the interim subcommittee reviewed California's "Mobile Home Residency Law," and noted that it contains provisions for both civil remedies and for awarding attorneys' fees and court costs to the prevailing party. The subcommittee thought those provisions have merit.

It noted that certain NRS provisions deal with court costs and attorneys' fees. It believed, however, that the addition of a provision for punitive damages for violation of the mobile home landlord tenant law would act to dissuade violation of the law by both landlords and tenants.

This provision is contained on page 1, section 3, of A.B. 30 which provides for up to $500 in exemplary damages for each willful violation of the mobile home landlord tenant law.

2. Criteria For Mobile Homes Park Rules Relating To Guests and Children in Mobile Home Parks

Several witnesses who appeared before the interim subcommittee expressed concern about discrimination against children in mobile home parks. The opinion was expressed that there is a trend away from "family parks" to "adult only parks" and that this is causing a severe shortage of mobile home spaces, especially in Clark County, for families with young children or young married couples of child rearing age.

The interim subcommittee understood the problem but believed it would be improper for the legislature to restrict mobile home landlords from providing for adult-only parks. There appears to be a growing demand for the availability of such parks, especially in those parts of the state with large numbers of retired persons.

The subcommittee believed however, that certain provisions should be made now in the law for guests and children in mobile home parks. It therefore recommended:

> The landlord, or his authorized agent, not adopt or enforce rules or regulations (1) prohibiting a tenant from having a guest, except if the presence of the guest constitutes a nuisance; or (2) establishing areas for adults only in parks which allow children, unless the restriction is clearly posted in those areas.

This recommendation is contained in the italicized wording on the bottom of page 2 and the top of page 3 of Assembly Bill 30.

3. Closed Parks

Under a closed mobile home park system, a prospective tenant is not permitted to rent or lease a space in the park unless he agrees to purchase a mobile home from the park owner or operator or a specified mobile home dealer.

According to testimony, the closed park practice creates serious problems when there are insufficient mobile home spaces for rent in a community. It can force prospective tenants to purchase expensive mobile homes and tends to cause higher land development costs. It also restricts competition for those mobile home dealers that do not have purchase arrangements with mobile home park landlords.

Certain Federal Trade Commission (FTC) orders have addressed closed park arrangements and prohibit the conditioning of site rentals on the purchase of a mobile home from a particular party. The subcommittee believed such a prohibition should also be contained in the Nevada Revised Statutes. It therefore recommended:

> That no mobile home park owner, or his authorized agent, require a prospective tenant to purchase a mobile home from him or any other person in order to obtain a mobile home site.

This recommendation is contained on page 3, section 6, of A.B. 30.

4. Extended Length of Notice For Adopted or Amended Rules in Mobile Home Parks

Presentations and material given to the interim subcommittee stress the importance of sufficient time for notice. The subcommittee was advised that the 60-day notice requirement in subsection 4 of NRS 118.260 is insufficient because it does not give mobile home park tenants adequate time to make changes required by certain rules or to move if they do not wish to comply with new or amended rules. It was said that because rule changes are considered permanent, and because tenants did not have knowledge of the new or amended rules at the time they entered into initial rental agreements, a longer period of time should be required for a rule modification to become effective. This would make it easier, the subcommittee was advised, for tenants to comply with new rules or to move if they found the rules untenable. Moving a mobile home from one park to another, unlike moving from one apartment to another, can be a very expensive and time consuming process.

Certain rule changes can have a major effect on mobile home park tenants, especially if the status of the park is being changed from a family park to an adult only park, pets are no longer allowed, or the number of vehicles owned and kept by a tenant in a park is being restricted. The subcommittee believed the suggestion for an extended duration of time before rule changes in mobile home parks can become effective has merit and therefore recommended:

> The law be amended to double the time from 60 to 120 days in which notice must be given of new or amended mobile home park rules or regulations.

This recommendation is contained on line 45 of page 2 of A.B. 30.

5. Membership on Mobile Home Park Landlord Tenant Mediation Boards

Assembly Bill 784 which became effective on July 1, 1979, provides for boards to mediate grievances between landlords and tenants in mobile home parks.

Such boards have been formed in Carson City, Clark County, Las Vegas and Washoe County.

The interim subcommittee heard many criticisms about the boards including that:

(1) They are ineffective because they have no authority to enforce settlements between landlords and tenants in mobile home parks;

(2) The membership on certain of the boards has been selected to preclude representation of mobile home tenants' associations;

(3) Local governments have procrastinated about forming the boards; and

(4) The boards are not addressing meaningful issues.

The interim subcommittee considered recommendations which would have given the mobile home park mediation boards more power, modified their composition and required certain membership on the boards. It decided more time is needed to analyze the boards' performance and to review their effectiveness before the boards' powers or duties are changed. The interim subcommittee did believe, however, that representatives of mobile home park landlords' associations and representatives of mobile home park tenants' associations should not be excluded from the boards. Representatives of such orgnizations can bring valuable experience and knowledge to the boards. The subcommittee therefore recommended that the boards include, if such organizations are in existence in the community, representatives of mobile home park owners' associations and representatives of mobile home park tenants' associations.

This recommendation is contained on page 4, lines 15 and 16, of A.B. 30.

6.* Mobile Home Park Space Rent Review

One of the most sensitive issues which the interim subcommittee faced is the subject of mobile home park space rent review. This issue generated the most emotional and volatile presentations and correspondence made or given to the subcommittee.

Those representing mobile home park landlords were vehemently opposed to any form of rent review or control. The concern over the prospect of rent control caused a few mobile home park owners to castigate the subcommittee and its members for even considering the topic. Most landlords, however, relied on economic and free market arguments to make their case against rent review. Often cited were articles or publications discussing the failure of rent control in other states.

The interim subcommittee noted that there is no history of rent control in Nevada. There has never been a law that addresses the subject. Several bills, however, considered by the 1979 legislature dealt with the topic.

No one appearing before the interim subcommittee advocated statewide rent control for mobile home parks. Moreover, representatives of mobile home park tenants' associations did not request the imposition of rent controls at this time. They requested the ability for local option if the need arises.

Given Nevada's legal and political traditions, there is little doubt that mobile home park space rent review or control would be enacted by local governments only through state enabling legislation. Nevada is not a home rule state. Neither the cities nor counties have any powers not granted in general laws or in city charters enacted by special laws.

Any rent control, rent stabilization and probably even rent review, if it were not voluntary, would require enabling legislation. This was evidenced during the last session when the rent control issue was passed back and forth between the state and local governments like "a hot potato."

The subcommittee thought the problems of mobile home space rents should be addressed at the local level. Based on testimony, space rents and mobile home space shortages vary greatly from community to community. It would be grossly improper, the subcommittee felt, for the state to impose a rent review measure on a community where such is not needed. Conversely, the state, the subcommittee thought, would be derelict in its responsibility for not providing for the welfare of its growing number of citizens that reside in mobile home parks by not allowing rent review or control of mobile home park space rents if such ever became necessary by virtue of an emergency or widespread rent gouging.

The subcommittee did <u>not</u> advocate rent control. It did, however, believe local governments should have the option to deal with emergencies. It therefore recommended:

> The governing body of any city or county be permitted to provide, by ordinance, for the review of increases or the setting of rents charged for mobile home lots or mobile homes and mobile home lots within mobile home parks in that city or county when the governing body of the city or county determines that an emergency exists with regard to the rental of those lots..
>
> An emergency exists where the governing body finds that the rate of vacancies in mobile home parks in the city or county is 5 percent or less.

<u>This recommendation is contained on page 1, section 2, and page 4, section 7, of A.B. 30.</u>

The subcommittee felt there will never be the need for mobile home space rent review if the 1981 legislature enacts this measure. It was the subcommittee's firm belief that local governments would make great efforts to increase the number of mobile home spaces so that, as the mobile home park landlords advised the interim subcommittee, competition will handle the rent increase problem.

NOTE: For more information on rent control see pages 46 through 49 of Legislative Counsel Bureau Bulletin No. 81-9 and research division background paper 81-2.

EXHIBIT B

Whereas the legislature is concerned with the problems of mobile home owners and park owners, in particular, the difficulties facing mobile park residents who are older Nevadans living on low and fixed incomes;and

Whereas the 1980 Mobile Home Survey conducted by the Clark County Community College and commissioned by the Legislative Counsel Bureau reported approximately 123,000 mobile home residents in the state, 35% of them over age 62; and

Whereas all citizens have incurred a substantial increase in the cost of all basic living necessities, including not only housing, but utilities, food, clothing, transportation and medical costs; and

Whereas the limited supply of affordable housing in Nevada is a major state problem deserving alleviation; and

Whereas the 1979 Legislature provided for boards to mediate grievances between landlords and tenants, NRS 118.335, and the four boards established to date have not functioned for sufficient time to accurately analyze their performance or review their effectiveness for the purpose of changing their powers and duties;

Resolved by the Assembly of the State of Nevada that:

The governing body of each city and county is urged to publicize the availability and extent of state and federal programs established to provide assistance to low and fixed income older Nevadans.

The governing body of each city and county is urged to establish an areawide task force to promote the building of affordable housing, expecially mobile home parks. The task force should be composed of representatives from lending agencies, the building industry, mobile home and mobile home park owners, the real estate industry, community planners, the American Association of Retired Persons and other segments of the community with expertise, experience or concern about housing. Among the purposes of the task force would be the promotion of awareness of the improved investment climate; the development for potential investors of a comprehensive information source including possible sites and acquisition procedures, additional sources of funding, procedures for Nevada Housing Division funding; and the development of a model project for private sponsorship.

The governing body of each city and county is urged to establish a board to mediate grievances between landlords and tenants of mobile home parks and to use every avenue available to publicize the availability of the mediation board.

The organizations of mobile home owners and park owners are urged to assist the mediation boards in effectively fulfilling their statutory charge to: (a) Attempt to adjust grievances between the landlords and tenants by means of mediation or negotiation; (b) Recommend changes in local ordinances related to mobile homes and mobile home parks; (c) Recommend measures to promote equity between tenant and landlord; (d) Encourage the development of mobile home parks to meet the needs of the community.

Mediation has been defined as "Intervention, interposition; the act of a third person who interferes between two contending parties with a view to reconcile them or persuade them to adjust or settle their dispute." The mediator is defined as "one who interposes between parties at variance for purposes of reconciling them."

In the event the parties cannot reach a mutually agreed upon solution, the Board has the ability to bring to the attention of the parties, owners and renters, the remedies available to any and all citizens of the State of Nevada. If there appears to be a violation of the Nevada Revised Statutes, the Mediation Board may bring to the attention of the aggrieved those Nevada Revised States and may direct that citizen to the District Attorney. If the dispute is of a civil nature, the Board may direct that citizen to Small Claims Court or another appropriate body. The Mediation Board itself will not carry forth a complaint on behalf of either an owner or a renter nor will the Board become involved in litigation on behalf of a renter or owner in a particular situation.

The Mediation Board has the ability, as does any citizen, to identify to the appropriate public body violations of building codes, health codes, etc., so the appropriate administrative agency of a local body may look into the matter and if any actions are warranted, request that those appropriate actions take place. If the Mediation Board, after a reasonable period of time, feels that the administrative agency has not taken the appropriate action then it has the ability to transmit its feelings to the proper locally elected body.

The organizations of mobile home owners are urged to educate their members regarding the state and federal programs available to provide assistance to low and fixed income older Nevadans and to assist their members in obtaining all services for which they are eligible and entitled.

The organizations of mobile home park owners are urged to educate their members in professional park management through the use of seminars and training programs.

The organizations of mobile home owners and mobile home park owners are urged to utilize the range of their organizational functions to help realize the full intent of the resources and remedies provided by Nevada

Revised Statutes and Federal Regulations to increase the supply of affordable housing and assist low and fixed income older Nevadans.

EXHIBIT C

Cheney

ASSEMBLY COMMERCE COMMITTEE - AB 30 ENABLING AUTHORITY

To the Legislative Assembly Commerce Committee regarding AB 30, Rent Regulation Authority to local governments.

Please consider this as a final appeal to the Assembly Commerce Committee to consider and pass the amendment as proposed for AB 30, which would permit the mobile home park owners and the residents of the parks to meet on a common ground and mediate a just cause for the increasing of mobile home rents.

We have proposed this amendment because we sincerely believe it is the least sever of any other form of rent regulatory and that it is the fairest of any such action we have ever known in any other state.

As the only organized representatives of the Nevada mobile home people, we are very much aware of how badly our people need relief from the continuation of excessive rent increases. We also are aware of the economic structure of our state. We know that Nevada depends on the out of state investers to support our state in free interprise. That any restrictions such as rent control on these investers would be very harmful particularly in the future development of much needed rental housing, which is now in a critical shortage area. We also believe that if our dependency was not so great on outside investment, our elected representatives would approve AB 30 and give the mobile home people the relief they so desperately need.

However, we ask that you consider what is in the near future. At this time, we are only asking that we be permitted the right to meet with our landlords and mediate a fair rent increase. We have excluded the new unaffordable mobile home parks, which would permit future development. We would deal with our problems where they exist, in our own parks.

Consider what can happen if the people are denied, again, this relief. What can the alternatives be for the depressed mobile home owners after begging for help during two legislative sessions and being refused. They have only a few alternatives. First, move out and give up their homes. Second, revolt and in mass, refuse to pay any more rent increases. Thirdly, and the most probable, they will join together with the apartment people and take a rent control initiative to the people to be voted on in the 1982 ballot. With the numbers of renters in this state and their desperation as the motivation, it very possibly could be done.

How would the State of Nevada be affected if a rent control measure was voted in by the renters of Nevada? Rent control is not a simple plan as recommended by the mobile home people for negotiation between the park landlords and the tenants. Rent Control is sever. It places maximum ceilings, roll backs in rents and it can be costly to adminster.

What would rent control do to our state. Particularly if the MX brings the influx of population as projected. Would the out of state investors continue to build more apartments and mobile home parks? Without a restraint on the rents when the MX influx comes what will happen to the rents? Will the citizens of Nevada stand still for this? If they have a

choice between rent control and stablized rents, can the legislators make them believe they would be better off with rents they cannot pay, in order that more housing can be developed by out of state investors? This is doubtful.

With vacancy rates at 3.4% in the apartment areas, isn't it only a matter of time before apartment people are going to be in the same boat as the mobile home owners?

Please do not consider these statements as threats. They are not. We firmly believe if this committee permits the mobile home people to leave this legislation empty handed after proving without doubt the hardship conditions of the elderly people in our parks, the possibility of an organized state drive will be eminent and the legislators broken promises or attempts to dissuade such a movement will not stop them.

The Mobile Home Owners League does not want this to happen. We have believed in the representatives we endorsed and helped send to our legislation. However, we are deeply hurt by the child like attempts to kill the AB 30 and AB 31 through useless resolutions that offer absolutely nothing and do not pretend to, as submitted by the Chairman of the Commerce Sub Committee. This is our last time to ask for such help from the legislators. We cannot afford to undertake another two years of rent increases and hopefully return again to seek help.

Before you set us on this course, we implore you to please consider your decision very seriously and pass our amendment for AB 30. We are your people. We are Nevadans and we deserve your help.

Sincerely,

Shannon Zivic, President
MHOLSS

EXHIBIT C-1

ASSEMBLY COMMERCE COMMITTEE - AB 31

Anticipating that AB 31, may be disapproved by the Assembly Commerce Committee, We frevently request that the following items included in the bill be given special consideration before the decision is made to disapprove AB 31.

Sections 42 thru 44 - deal with The jurisdiction of the Public Service Commission. Section 42 specify the method of billing of mobile home tenants using utility services that are master metered. It sets requirements that would require uniform billing and provide that the landlord cannot exceed the aggregate of the cost of the utility to the landlord. Section 43 Provides that the Public Service Commission shall have jurisdiction over the charges billed in mobile home parks. It enables the tenant to complain about overcharges. At the present time, when we try to get help from the gas company, they tell us they cannot help us, other than closing the park down with such service. The PSC always states they have no authority over mobile home parks. Tenants have no recourse for recovering overcharges and usually do not get a rebate when the overcharge is called to the attention of the landlord. Section 44. Requires that where a tenant is sub-metered from the master meter, the tenant may request that the sub-meter be tested for accuracy if it is suspected that the measuring of the utility is excessive. Since this is offered to all other users of public utilities, we believe mobile home owners renting in a master metered mobile home park should be entitled to the same provisions.

Section 51 - This section provides that the health department shall make inspection of every mobile park at least once every year and notify the enforcement agency responsible for mobile home requirements. This was specifically requested because it was found that the Health Department has not been making these inspections as presently required. We believe that with some 123 less than standard parks in Clark County alone, that this is very important. Particularly since, Clark County does not make visual inspection when the licenses are renewed unless they find a specific reason to do so. Also, many old parks own old coaches and rent them out, without being required to have a separate license for renting mobile homes.

Section 53. Physical evidence has been established that there is a serious condition in the utility lines within master metered mobile home parks. This section places the maintenance of such services under the jursidiction of the Public Service Commission. It would require that the PSC would require that master metered lines be inspected each year for safety reasons. We feel this is a very essential portion of AB 31, and it should not be lost by disapproving the bill in it's entirity.

Section 37. This section authorizes the Department of Commerce to have the responsibility of enforcing provisions of NRS 118.230 thru NRS 118.340. Mobile Home Landlord-Tenant Law. We desperately need an enforcement agency assigned to this Statute. Our esperience with the local District Attorney's Office and City Attorney's Office has been very bad, and frequently harmful to the mobile home owners. We admantly request that this portion of the bill be approved as written.

EXHIBIT D

LUCRATIVE

[illegible] CIVIC
5900 N TROPICANA E204
LAS VEGAS NV 89103

THE CALIFORNIAN
WORLD'S LARGEST MOBILEHOME NEWSPAPER
GOLDEN STATE MOBILHOME OWNERS LEAGUE INC.
Volume 11 Number 4 — April, 1981

GSMOL RECOMMENDED REMEDY FOR ESCALATING RENTS...

A NEW APPROACH—THE 3 R'S?

by Marie Malone, Vice President

A new page is being written in the history of Mobilehome Parks.

The park owners have officially and publically recognized the mobilehome owners as having a vested interest and equal standing in negotiating the amount of rent they will pay for a park space and use of the amenities within the park.

Carlsbad California Park Owners and Mobilehome Owners, with encouragement from their Mayor and City Council, have recently completed an "in park" Mobilehome Mutual Rent Agreement contract which establishes procedures for negotiation of the rental rates for their parks. The agreements also provide a means for solving the rental disputes by a third party, should the two primary parties be unable to reach a solution. The third party will be an arbitrator chosen pursuant to the rules and procedures of the American Arbitration Association. The Mobilehome Mutual Rent Agreement contracts provide for acceptance of and adherence to the decision of the Arbitrator by both parties. The cost of Arbitration, should such a far reaching step be required to establish a rent level, will be equally shared by park owners and mobilehome owners.

How and why did the mobilehome mutual rent agreement contract come into being?

It came about because the people and government had enough of rental disputes. The city of Carlsbad did not want a rent control law for their city and was seeking for an alternative solution.

The City staff had heard of the GSMOL Mobilehome Mutual Rent Agreement program and asked for information and assistance. The Mayor and Council felt the Mutual Rent Agreement offered a "new" approach to solving rental disputes as it left the decision in the hands of the people most directly affected. The point most frequently made by the Mayor was that it preserved the American free enterprise approach by excluding "government control of rents."

The Mayor and Council took bold action to bring an end to dispute and enact the Mobilehome Mutual Rent Agreement program by directing the park owners and mobilehome owners to establish a negotiating procedure that would result in a solution to their rental disputes. If they failed to do so, the Council stated they would have to consider taking their own action to resolve the disputes. A temporary rent moratorium was declared to allow the parks time to work out a negotiating procedure. The Council agreed to lift the temporary rent moratorium when the concerned parties signed the Mobilehome Mutual Rent Agreements or the Council would lift the moratorium for each park as they agreed on a level of rent for their parks.

This was strong direction from the city, however, the agreements were reached through a process of negotiation, compromise, mutual understanding and able craftmanship of capable people, some were park owners, others were elected city officials or city staff and members of GSMOL.

GSMOL's Mobilehome Mutual Rent Agreement has found its *first home* in the Mobilehome Parks of Carlsbad and is now ready to "hit the road" to other cities and counties throughout California offering a solution to your rental problems.

If you are wondering why, all of a sudden the landlord tenant relationship, long fostered by the park owners, has been set aside in favor of a negotiating process to determine rent levels within each park. There are numerous reasons, but those appearing to be most influential in developing the first Mobilehome Mutual Rent Agreement are:

1. It had a strong appeal to the mobilehome owner because it recognized his right to affect his economic future by negotiating to establish the level of his rent.
2. It appealed to the park owners because it precluded city government from taking any action by way of ordinance or moratorium to control or suspend rent increases.
3. It appealed to elected city officials because they would not be faced with irate mobilehome voters asking them to establish, administer and enforce rent controls for private enterprise.

Will the Mobilehome Mutual Rent Agreement contract work?

Does negotiation work in arriving at an "agreed to cost" in other business contracts? Are labor disputes or contract disagreements settled by arbitration when negotiations fail to produce a solution? The answer, of course, to both is "yes."

If given the same good faith, willingness to work for a solution and the patience to endure in seeking the ultimate goal for the "good of the industry," the Mobilehome Mutual Rent Agreement contracts will be a sound procedure for success and can be of benefit to the parties concerned.

If we want the Mobilehome Mutual Rent Agreement to work for us, we must work to bring it to the attention of our elected officials.

We are fortunate in that Irving Rich, of Rancho Carlsbad Mobilehome Park, a recently retired lawyer with forty-two years experience in the negotiating-mediating arbitration field has contributed his expertise to developing the "in park" agreements and has formulated a sample Mobilehome Mutual Rent Agreement Ordinance. Copies of this agreement and sample ordinance have been distributed to your regional officers and are available as guidance material for your local governments.

Orientation seminars have been held for all Regional Directors. Your Directors and other qualified GSMOL officers will offer their services as consultant to combined chapters or to local governments who choose to adopt the Mobilehome Mutual Rent Program to help resolve your mobilehome rental disputes.

BEWARE!

THE WILLIAMSON GANG IS BACK!

If you haven't heard of this infamous outfit there are many who have, and generally where it hurts - in the pocketbook.

They've been around for years, and now they're zeroing in on mobilehome residents. They descend like locusts on an area, in their unmarked vans and trucks. They don't always call themselves Williamson, of course, but their pitch is always the same. They were just driving by your coach and noticed that your roof was in terrible shape (or your driveway, or carport), and because they're already in the neighborhood, they'll fix it for you at a low cost.

They won't give you a written estimate, and when they're finished with a hasty and shoddy job, they'll demand an exhorbitant amount. No, they won't take a check - just cash.

So beware! If someone just "happens" to have noticed that your home needs work, thank them courteously and close the door. Incidentally, some of these rascals even have California contractor's licenses, so don't be fooled by that. If you think your coach might really need repair, get at least two written estimates from your own reputable neighborhood professionals.

In This Issue [illegible]

WATCH US GROW
GSMOL VOTING POWER
57,000 family unit members representing 175,000 voters!

MEETING SCHEDULED

The next Board of Directors Meeting will be Held May 23-24, 1981 in the Grosvenor Airport Inn, 380 South Airport Boulevard, South San Francisco, CA 94080. Telephone (415) 873-3200. League Board Meetings are always open to all GSMOL members, and those in the vicinity are urged to attend.

EXHIBIT E

1981 REGULAR SESSION (61st)

SSEMBLY ACTION		SENATE ACTION		Assembly AMENDMENT BLANK
lopted	☐	Adopted	☐	AMENDMENTS to Assembly
st	☐	Lost	☐	Bill No. 30 ~~Joint Resolution No.~~
te:		Date:		BDR 10-22
tial:		Initial:		Proposed by Assemblyman Hayes
ncurred in	☐	Concurred in	☐	
t concurred in	☐	Not concurred in	☐	
te:		Date:		
tial:		Initial:		

Amendment No. 404

Amend sec. 2, page 1, line 3, by deleting "may" and inserting "shall".

Amend sec, 2, page 1, line 4, by deleting "the regulation" and inserting:

"mediation and arbitration between owners of mobile home parks and their tenants".

Amend sec. 2, page 1, by deleting line 10 and inserting:

"adopted pursuant to this section must:

(a) Apply only to mobile home parks which were in operation on July 1, 1979.

(b) Require that a letter of agreement be executed by the landlord and the tenants in the park, either collectively through an association of tenants or individually, providing for a committee to mediate any proposed increase in rents;

(c) Prohibit the issuing of a notice by the owner of the park of an increase in rents until the committee required by paragraph (b) has been formed; and

(d) Be repealed when the governing".

Amend sec. 2, page 1, lines 17 and 18, by deleting "the regulation of those rents," and inserting:

"mediation and arbitration of proposed increases of rents in mobile home parks,".

825

B & E
LCB File
Journal
Engrossment

Drafted by DGS:smc Date 4-1-81

Amend the title of the bill on the second line by deleting "regulate" and inserting:

"require mediation and arbitration of proposed increases in".

EXHIBIT F

SUMMARY OF THE PROVISIONS OF A.B. 31

Assembly Bill 31 contains several proposals for legislative action recommended by the legislative commission's subcommittee which studied the problems of owners and renters of mobile homes during the 1979-81 legislative interim. Those recommendations relate to:

1. Uniform housing code provisions for mobile home parks;

2. Health inspections for mobile home parks;

3. Administration of the mobile home park landlord tenant law;

4. Utilities in mobile home parks including:

   a) The phase out of master utility meters in mobile home parks unless individual meters are provided;

   b) Meter accuracy; and

   c) Giving the public service commission jurisdiction over gas and electric distribution lines and associated equipment in mobile home parks.

1. <u>Uniform Housing Code Provisions for Mobile Home Parks</u>

Several persons appearing before the interim subcommittee addressed physical conditions in mobile home parks in Nevada. Great variations in construction, upkeep, maintenance and the quality of plumbing and electrical systems were discussed.

The interim subcommittee noted that the age of a mobile home park and the financial investment in it can greatly affect its quality and construction. Given a true free market system, mobile homeowners could choose the type of mobile home park they wished to reside in.

The amenities and condition of the park could then be reflected in the level of space rent. Because of the limited number of mobile home spaces in Nevada, however, the "choice" is restricted and space rents do not necessarily reflect the condition or maintenance of a park.

The interim subcommittee believed certain basic safety and construction standards should be adhered to no matter the level of the space rent paid in a mobile home park. The California legislature has addressed this issue through its Mobile Home Parks Act which deals with construction and maintenance problems. The "findings and purposes" sections of the act address the California legislature's rationale in enacting the Mobile Home Parks Act. One sections says:

> The Legislature finds and declares that increasing numbers of Californians live in mobilehomes and that most of those living in such mobilehomes reside in mobilehome parks.
>
> Because of the high costs of moving mobilehomes, most owners of mobilehomes reside within mobilehome parks for substantial periods of time.
>
> Because of the relatively permanent nature of residence in such parks and the substantial investment which a mobilehome represents, residents of mobilehome parks are entitled to live in conditions which assure their health, safety, general welfare, and a decent living environment, and which protects the investment of their mobilehomes.

No state agency has specific statutory authority to regulate mobile home parks. The health division of the department of human resources, however, has regulations, which the state board of health adopted in 1970, pertaining to certain aspects of the construction and operation of mobile home parks. These regulations, which also address water supply, sewage disposal, refuse disposal, electricity, and fire protection and park management, provide for a permit system and local enforcement.

Several persons appearing before the interim subcommittee suggested that the health division's authority should be restricted to health matters and that the manufactured housing division should be given authority over the construction, operation and maintenance of mobile home parks. The subcommitte concurred and recommended:

> The NRS be amended to require the manufactured housing division to enact regulations for the construction, reconstruction and operation of mobile home parks. Such regulations should set forth the conditions for the assumption and required qualifications for local agencies to enforce the regulations. A fee permit schedule should also be established.

This recommendation covers pages 1 through 6 of A.B. 31. The bill provides for permits in section 18, fees in section 22, the adoption of regulations by the administrator of the manufactured housing division in section 14, the assumption of the responsibility for enforcement by cities and counties in section 15, misdemeanor penalties in section 27 and administrative remedies for violations in section 25. District court authority and powers are covered in section 52.

2. Health Inspections for Mobile Home Parks

There were several presentations made to the interim subcommittee relating to alleged health and sanitation problems in mobile home parks and in rental mobile homes.

State board of health regulations mandate that a health inspection be conducted of every mobile home park at least once each year and more often if deemed necessary. The interim subcommittee found that many parks are not being inspected on an annual basis. Some parks, in fact, have not been inspected in a number of years.

The interim subcommittee was also advised of certain unhealthful conditions in mobile home rental units and told that no health agency has the authority to inspect or remedy health problems in rental mobile homes. The subcommittee believed annual health inspections of mobile home parks should be carried out and that health agencies should have the authority to inspect a rental mobile home if permission to do so is given by the renter.

The interim subcommittee's view in this regard is enunciated on page 12, lines 4 through 18 of A.B. 31.

3. Administration of the Mobile Home Park Landlord and Tenant Law

The statutory provisions relating to landlord and tenants in mobile home parks was added to the law in 1975 and amended substantially in 1977 and 1979.

The law, which is contained in NRS 118.230 to 118.340, inclusive, covers a broad range of topics including: (a) rental agreements, (b) deposits, (c) the responsibility of landlords for common areas, (d) park rules and regulations, (e) prohibited charges and practices by landlords, (f) rights of landlords upon the sale of a mobile home located in a park, (g) grounds for termination of rental agreements by landlords, (h) retaliatory conduct by landlords, (i) remedies when tenants' mobile homes are made unfit for occupancy by any cause for which the landlord is responsible, (j) the submission of controversies to arbitration, (k) landlord tenant mediation boards, and (l) penalties.

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Persons appearing before the interim subcommittee expressed the opinion that the mobile home landlord tenant law is ineffective because there is no agency specified to administer its provisions.

It was also advised by certain witnesses that criminal penalties in the mobile home landlord tenant law are also ineffective because prosecutors are hesitant or unable to bring criminal actions against landlords due to the prosecutors' workload demands. Common sense dictates that prosecutors must focus on major offenses.

The subcommittee felt that administrative sanctions and civil remedies would be effective means of ensuring compliance with the mobile home landlord tenant law. The identification of an agency to administer the law would also serve a useful purpose in settling most grievances and assuring that problems are dealt with before the need arises for sanctions to be imposed.

The interim subcommittee believed most problems should be resolved at the level of government which is closest to the problem and hoped local governments would choose to administer the provisions of the mobile home landlord tenant law. Primary responsibility, the subcommittee felt, should rest with the manufactured housing division.

The interim subcommittee's recommendation relating to the administration of the mobile home landlord tenant law starts on page 7, section 29, of A.B. 31. As can be seen, there are provisions for local enforcement in section 40, inspection of parks in section 38, investigations in section 41, regulations in section 39, and administrative sanctions in section 45. The administrator of the manufactured housing divisions is permitted, under section 38, to issue subpenas, conduct hearings and administer oaths.

4. Utilities in Mobile Home Parks

Several persons appearing before the subcommittee during its meetings in Las Vegas and Reno expressed dissatisfaction with various aspects of the use of master utility meters in mobile home parks.

Master utility meters are systems where a customer, such as the owner or operator of an apartment house, hotel, office building, mobile home park, or other multifamily dwelling purchases utility service from a public utility company and then resells it to his tenants. Some master meter systems have submeters for the individual users but a significant number do not.

According to representatives of the public service commission, master meters exist in mobile home parks because certain mobile home park owners are reluctant to provide the necessary easements to utility companies for standard utility service and because of utility companies' reluctance to provide service without obtaining construction advances from the mobile home park landlords. The PSC also advised the interim subcommittee that master utility meter systems are less expensive to install. This saving, however, can be misleading because of ongoing maintenance costs.

The two primary concerns with master utility meter systems appear to be inaccurate billing and safety problems.

Concerning safety, a representative of the public service commission advised the interim subcommittee that many master utility meter systems in mobile home parks do not conform with Federal Department of Transportation Office of Pipeline Safety regulations and have not been properly maintained.

Gas service disruptions caused by improper gas delivery systems in certain mobile home parks in the Las Vegas area lend credence to this observation. For example, the tenants in one mobile home park have repeatedly had their natural gas shut off during Christmas because of the poor condition of distribution lines in the park.

At the time the subcommittee's report was written, in May 1980, there were three mobile home parks in the Clark County area in which the natural gas was shut off. There have been at least 16 gas outages in master metered mobile home parks in Clark County and such outages have usually lasted more than 1 month in duration.

Federal inspection of gas distribution lines in master utility metered mobile home parks is inadequate, according to the public service commission, because of the few number of gas pipeline safety inspectors available.

Moreover, the representatives of the commission advised the interim subcommittee that the PSC does not have authority to inspect the gas and electric distribution lines and associated equipment in mobile home parks because its authority is restricted to public utility companies.

The subcommittee noted that problems with master utility meters have been ongoing for a number of years and believed that the time has come to address them. It made three recommendations in this regard. They are:

(a) Master meters be prohibited unless individual meters are provided to tenants.

The subcommittee chose July 1, 1985, for this purpose. Until then, the subcommittee felt that mobile home parks with master meters, unless the park is also equipped with individual meters, should prorate the cost of utility service to the tenants.

(b) Landlords of master metered mobile home parks provide facilities to tenants for determining the accuracy of individual meters on the master utility meter system.

(c) The public service commission be given authority over gas and electric distribution lines and associated equipment in mobile home parks.

These recommendations are contained in sections 42, 43, 44 and 53 of A.B. 31.

A complete discussion of the master meter issue is contained on pages 36 through 41 of Legislative Counsel Bureau Bulletin No. 81-9.

Cost

The fiscal note estimates that A.B. 31 would cost $308,398 in 1981-82, $342,183 in 1982-83 and $393,398 in continuing costs. The note says:

> This would be a self-supporting program through a system of user fees paid by mobile home parks. No tax revenue is being requested except that start up costs may be required which could be paid back to the general fund.

EXHIBIT G

NEVADA BLUE SHIELD

P. O. BOX 10330 • RENO, NEVADA 89510 • (702) 825-0350
4600 KIETZKE LANE • SUITE 250 • RENO, NEVADA 89502

April 15, 1981

The Honorable William H. Hernstadt
Nevada State Senator
Legislative Building
Carson City, NV 89701

RE: Senate Bill 361

Dear Senator Hernstadt:

The above bill appears to be designed to cover the cost of claims filed by a physician, hospital or other provider of health care in Nevada.

The upper limit of $5.00 per claim filed by a provider of health care, as defined in NRS 629.031, or a health care facility, as defined in NRS 449.007, for completing a claim form is an unfair cost to the residents of Nevada. Each increment of health care cost adds to the premium rates. The effect of this $5.00 per claim for 1980 would have been an increased benefit cost of $3,500,000 to the insureds of Blue Shield of Nevada. Granted, not all 700,000 claims were filed or completed by providers of health care, but it is an even greater injustice to those Nevadans who complete their own forms, as they will end up subsidizing the premium rates of those whose claims are filed by providers.

It seems that the providers who provide the health care service should be willing to provide the necessary data to the insurance company to receive their or their client's reimbursement for those services rendered.

In the interest of those insured Nevadans who will utilize some form of medical care and who will file a claim with an insurance company, this amendment to Chapter 689A should not be passed.

I am available to discuss this bill and these data should you so desire.

Sincerely,

Ray Rothwell

W. Ray Rothwell
President

WRR/as
cc: P. Redmon, Acting Insurance Commissioner
D. Nicholas, Nevada State Assemblyman
Members, Senate Committee on Commerce & Labor

Thomas Wilson, Ch.
Richard Blakemore, Vice-Ch.
Don Ashworth
Melvin Close
Wm Hernstadt
Clifford McCorkle
Wm. Raggio

EXHIBIT H

AMENDMENT TO A.B. 474

Amend Section 2, page 2 as follows:

NRS 682A.290 is hereby amended to read as follows:

682A.290 [The investment portfolio of a] 1. A foreign or alien insurer [shall be] may make investments as permitted by the laws of its domicile if its investment protfolio is of a quality substantially equal to that required under this chapter for similar funds of like domestic insurers.

2. The provisions of this chapter must not be construed so as to prohibit a foreign or alien insurer from making investments in agricultural real property or ranches.

EXHIBIT I

F A C E S
3454 Lakeside Drive
Reno, Nevada 89509

Assemblymen Robinson, Pringaman, Bennett,
Bremner, Chaney, Dini, Jr., Jeffrey,
Kovacs, Brady, DuBoise and Rusk
Assembly Commerce Committee

S.B. 366 - Separate Licensing of Cosmeticians

Gentlemen:

California and other states have separate statutes governing qualification for a license for "The Practice of Facials." A copy of the California law is attached.

It is very difficult to find cosmetologists who, as a practical matter, are competent to give facials. They are not available. The beauty colleges stress hairdressing and do not provide adequate training in skin care.

I ask, therefore, that the Nevada Act be amended to be the equivalent of the California Act. Although I contemplated a separate Act, like California, I understand that the effect of this bill is the same. It makes no change in the licensing of persons who also engage in hairdressing, etc. It only provides that a person may be licensed to be solely a cosmetician on the basis of 300 hours specialized training. This should result in the training and licensing of cosmeticians, who whould not be interested in becoming hairdressers, and who would therefore be able to concentrate on obtaining the skills needed to be good cosmeticians. To be helpful, the bill should be amended to be effective on passage and approval.

Sincerely,

Jacqueline Hawkins

Jacqueline Hawkins
FACES Skin Care Center

ARTICLE 4.5

Practice of Facials

[Added by Stats 1976 ch 1394 § 3.]

§ 7354. "Cosmetician"

A cosmetician is any person who engages in any one or more of the following practices:

(a) Giving facials, applying makeup, giving skin care, removing hair by tweezing, depilatory or waxing or applying eyelashes to any person.

(b) Beautifying the face, neck, arms, bust or upper part of the human body, by use of cosmetic preparations, antiseptics, tonics, lotions or creams.

(c) Massaging, cleaning or stimulating the face, neck, arms, bust or upper part of the human body, by means of the hands, devices, apparatus, or appliances, with the use of cosmetic preparations, antiseptics, tonics, lotions or creams.

(d) Removing superfluous hair from the body of any person by the use of depilatories, or waxing, or by the use of tweezers.

Added Stats 1976 ch 1394 § 3.

§ 7354.1. Prohibited practices

A cosmetician, unless otherwise licensed by the board, is specifically prohibited from engaging in any and all of the following practices:

(a) Arranging, dressing, curling, waving, machineless permanent waving, permanent waving, cleansing, cutting, singeing, bleaching, tinting, coloring, straightening, dyeing, brushing, beautifying or otherwise treating by any means the hair on the head of any person.

(b) Massaging, cleaning or stimulating the scalp, by means of the hands, devices, apparatus or appliances, with or without the use of cosmetic preparations, antiseptics, tonics, lotions or creams.

(c) Removing superfluous hair from the body of any person by the use of electrolysis or thermolysis.

(d) Cutting, trimming, polishing, tinting, coloring, cleansing or manicuring the nails of any person.

Added Stats 1976 ch 1394 § 3.

§ 7355. Qualifications for examination

The board shall admit to examination for a license as a cosmetician, any person who has made application to the board in proper form, paid the fee required by this chapter, and who is qualified as follows:

(a) Who is not less than 17 years of age.

(b) Who has completed the 10th grade in the public schools of this state or its equivalent.

(c) Who has received a minimum of 600 hours of training at an approved public or private school which teaches cosmetology, or who has practiced the occupation of a cosmetician, as defined in Section 7354, full time for at least one year or the equivalent of one year full time prior to the effective date of this section. The 600 hours of training shall include theory, modeling, and practice.

Added Stats 1976 ch 1394 § 3.

§ 7356. Registration without examination

Notwithstanding any other provision of this chapter, the board shall grant without examination a certificate of registration as a cosmetician to any person who meets all of the following conditions:

(a) The person has practiced the occupation of a cosmetician, as defined in Section 7354, full time for at least one year, or the equivalent of one year full time, prior to the effective date of this section.

(b) The person has applied within six months after the effective date of this section to the board in proper form and paid the fee required.

A certificate of registration issued pursuant to this section shall authorize the holder thereof to practice the occupation of a cosmetician in a licensed cosmetological establishment until the certificate expires. Every certificate of registration as a cosmetician shall expire September 30, 1978, and shall not be renewable.

Any person issued a certificate of registration issued pursuant to this section as a cosmetician who, before or after the expiration of such registration, makes application to the board in proper form and pays the fee required by this chapter shall be admitted to an examination for a license as a cosmetician, as prescribed by the board.

Added Stats 1976 ch 1394 § 3.

§ 7371. Cosmetology: Subjects and conduct of examinations: Availability of examination in Spanish

The examination of applicants for a license in any of the branches or practices of cosmetology shall include both a practical demonstration and a