#### MINUTES OF THE MEETING OF THE SENATE COMMITTEE ON JUDICIARY

SIXTY-FIRST SESSION NEVADA STATE LEGISLATURE May 23, 1981

The Senate Committee on Judiciary was called to order by Chairman Melvin D. Close at 10:05 a.m., Saturday, May 23, 1981, in Room 213 of the Legislative Building, Carson City, Nevada. Exhibit A is the Meeting Agenda. Exhibit B is the Attendance Roster.

## COMMITTEE MEMBERS PRESENT:

Senator Melvin D. Close, Chairman Senator Keith Ashworth, Vice Chairman Senator Don Ashworth Senator Jean E. Ford Senator William J. Raggio Senator William H. Hernstadt Senator Sue Wagner

## STAFF MEMBERS PRESENT:

Sally Boyes, Committee Secretary

# SENATE BILL NO. 432:

Makes various revisions to law governing mobile home parks.

Ms. Shannon Zivic, President of Mobile Homeowners League of the Silver State, stated this bill had been gone over at length in the Assembly. She stated discussion had taken place with the Nevada Park President Association and some concessions had taken place on the part of both associations. She felt basically the bill was a good one but also felt the committee should be aware of a few items in the bill. She stated the property tax pass through problem in bill 204 caused a problem to a renter because of the

possibility of a retailiation from the owner. She felt it could be handled in this bill on page nine, line 47 by adding N.R.S. 118. 165. This would restrict the landlord from making a retailiation. She stated her league is in full support of this bill and would like to see it enacted.

Ms. Vickie Demas, Mobile Homeowners League, stated she is in favor of this bill. Chairman Close asked if lines five through ten on page one had already had legislation passed in regard to it. Ms. Zivic stated there had been legislation passed but there were problems with it. She stated sections one through four had been rewritten and on page seven the old language was deleted and rewritten, on lines nine through 40. On line five the words "equal and uniform amount" were added and "tenants similarly located" on line six were added instead of situated. Senator Raggio asked what the difference was between the words located and situated. stated located meant within an area of the park; situated meant a sitation involving new people and any situation period. years no problems could be solved because of the word. This was on the advise of the district attorney that this change should take She stated there is no way to control uniformity. Close asked if what was meant was to raise all tenants rent should a person come into the park after another tenant and the new person's rent is higher. Ms. Zivic stated yes, there must be uniformity in a park. Ms. Zivic stated on page one, line 12, the committee asked for an increase to 90 days from 60 days. This increase would give the tenants more time to sell their coaches should a rent increase be beyond their means.

Mr. Robert Stubbs, Nevada Parks Association President, Las Vegas, stated the majority of the park owners are basically unhappy with this bill because of the cost of administering the bill will bring that cost back on the residents of the parks. The cost of moving and relocating will always have to be handled by the tenant. Park Owners Association presently has a training class to help park owners become better owners and managers. Mr. Stubbs stated on page one, line 16 there is a discrimination against the people that are not members of the Silver State Association; Silver State members do not pay a deposit for the use of a recreation hall in a park, but other tenants do who are not members of that association. Chairman Close stated that language did not talk about that association, this could apply to anyone. Senator Ford stated the language did not provide for some groups to pay a deposit and others to pay no deposit. Mr. Stubbs stated the reference was made in that section and that was the way it was interpreted. He also stated

that on page two, line 19, subleasing had not occurred as a general practice throughout the state for some time. When that does occur, numerous problems arise from it; standards of the park are not kept up. Senator Hernstadt stated the owner has the option of checking on a tenant even if a previous tenant decided to sublease. Mr. Stubbs stated even with a check on a person, it is not always possible to know that person will keep up the property. He stated on page two, line 35 - 49 and continuing on page three, lines one through seven refer to the privilege of a resident to be moved at the expense of the landlord if the land use is changed in any manner. The tenants that remain in the park will end up paying the cost of that move because all expense, according to this bill, is up to the landlord. When the cost goes up, it is passed on to the tenant. He stated on page three, line 27 through 32 there is the reference to the owner buying a tenants home or moving him again. This makes additional cost to the landlord again. He stated the investors are going elsewhere because they are concerned with the controls that are being put on park owners.

Ms. Mary Fischer, owner of Cottonwood Mobile Home Park, stated there are two major concerns in this bill: subleasing and the lack of control over guests. She stated in the Cottonwood Park, subleasing is done by them and they felt there should not be two sets of rules. She felt that talking with a tenant could determine how that tenant was going to be in that park. She stated when tenants did sublease their coaches, they found that, in order to pay the rent on that space, people were coming in without knowledge to the owner. These people were not compatible to the park or the regulations of it and eviction procedings were undertaken. The rule of the park was then changed; all the trailers were sold and there was no sub-She felt page seven, line 37 through 40 should be left She felt this took away private property rights as in the bill. well as tenants rights. Page eight, line 5 through 7 should be deleted. She felt leaving this in the bill would allow no control for the length of time a "guest" could stay or who could live there. This gives no assurance to the people living there as to who will also live in that park.

Mr. Joe Denny, Assistant Manager, Clark County, stated there was little or no success with mediation boards, as stated in section 20 of the bill. He felt this should be stricken. He stated the main concern was on page 10, lines 41 - 43, and page 11, lines 5 - 9.

He stated those sections of the bill should be considered in the work session on this bill. He felt if the board became an ajudicator, cost would skyrocket; attorneys would be needed, a legal staff would be necessary and cost would increase considerably.

Mr. William Allen, owner of Comstock Mobile Village, does not agree with the bill and feels legislation was making it impossible to operate a mobile home park. He felt the tenants end up paying all the increased costs involved when there is more regulation on the park owner. He requested the bill be killed.

Mr. Mike Fleishman, Cottonwood Mobile Home Park resident, stated he lives in a good park and felt safe in it. He stated he felt the owners of a park should have the say as to who could live in that park. He agreed with the testimony of Ms. Mary Fischer.

Senator Wagner asked what the occupancy rate was in the Carson City area. Ms. Fischer stated in the Cottonwood Park, there are two vacancies and one coach that is unoccupied. She stated there are 90 spaces in that park and it runs the lowest vacancy rate for the general area. Ms. Fischer stated there is no subleasing in that park at all. She also stated the rules a person begins living in the park with are the rules they live by until they leave the park. She said when a unit changes hands, that is the time it gets updated. Senator Herstadt stated the problem in section five was the matter of a park changing rules from a family park to an all adult park and given residents 60 day notice to move at great expense to the owner of that park. He felt this was unfair. Ms. Fischer stated she agreed with section five except for the fact should a party have the right to remain, why should the landlord of that park have to pay for the moving. She referred to page three, line three in which a tenant had the right to remain but choose to leave; a forced move was one thing because of a rule change, but not forcing a tenant to move is something else.

Mr. Jerry F. Schaefer, Resident Manager of Sunrise Oaks Mobile Home Park, Las Vegas, and Vice President of the Nevada Park Association, Las Vegas, stated he was in agreement with previous testimony. He opposed the bill. He stated there were plans to increase the park he lived in and build another park which would allow for many more units in mobile home living; because of the legislation now pending, there was a possibility the plans would be changed to condominium instead of mobile homes. Senator Wagner asked what the basic difference was between the agreement that a landlord and tenant must make and the appartment situation. She

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asked what would be more advantageous between an apartment complex and what was proposed in this bill. Mr. Schaefer stated the biggest problem was that a mobile home is individually owned by the resident; there is more control over the whole body to protect the investment made by the residents. An apartment complex that would have problems with a resident would allow that apartment complex owner to evict that resident within a five day period; with a mobile home structure, there is a required 45 day notice before eviction can take place. Senator Wagner asked if the owner of an apartment complex, by law, required a deposit for the use of a recreational facility in the complex. Mr. Schaefer stated he did not know.

Mr. Ross Culbertson, Contract Lobbyiest representing Nevada Park Watch Association, stated this association was a small group of people who own their own parks. He felt the opposition to this bill was in relationship to the marketability of the owners investment. mobile home parks would not be built, people that already own parks would be caught selling at a loss should over regulation occur and restrictions be so tied down. He felt the bill was written too loosely and it was not spelled out in a way that would be workable. He felt the problem was caused by a changing relationship. gave example of the "trailer court" of several years ago; this type of court was based mainly on transient people. The problem revolves around the property rights of the person that owns the land and the person that is sitting on top of the land. This conflict of interest causes problems. The park owner feels the relationship was of a 30 day duration. Senator Hernstadt asked if there was anything in this bill that would cause a park owner to go bankrupt. Mr. Culbertson said the change in market conditions could cause that. Senator Hernstadt stated that would happen to anyone; putting market conditions aside, he asked again if anything in the bill would cause a bankruptcy. Mr. Culbertson stated the market money situation would have an effect on the building of newer parks. Senator Don Ashworth stated he disagreed with the remark that fewer mobile home parks would be developed because of the housing market itself. Mr. Culbertson stated there should be a commercial limit on the use of a clubhouse in a park and it should be sponsered by an organization that holds meetings on a regular basis.

The meeting was then recessed until 12:00 noon.

Ms. Shannon Zivic stated there seemed to be a problem with the question of subleasing. She felt there was an economic problem at the present time. Should a person find the rent cannot be paid

they could at least hold on to the investment should they be able to sublease. She stated because of the rule of 1978, the interest problem, the probability of selling becomes very difficult. felt a person should have the right to sublease for a certain period of time and that adjustments should be made to allow for the time. She stated there was a problem now and help was being asked for. Senator Wagner asked if current law allowed the owner to evict should they not like the tenant that was subleased to. Ms. Fischer stated Ms. Zivic stated the only reason there would be for an eviction would be if the tenant did not maintain the place or if they were an undesirable. She stated there is a nuisance law and the right for proper landscaping which would allow for eviction. Close stated there was nothing in the statute relating to that, but the park rules and regulations allowed for that. She also stated the rental agreement that a tenant signs with the owner should stipulate the details of the use of the recreation hall. Chairman Close asked should the recreation hall be left unclean, how would that be handled at a park. Ms. Zivic stated the use of the hall would not be allowed. She stated the reason for the cleaning deposit was to allow for cleaning; that is a matter of opinion: clean to the owner of the park or clean to the tenants. Ms. Fischer stated there sould be regular policy of charging some deposit should the hall not be left clean. This would apply to all those that use the hall; there would be no discrimination. Ms. Zivic stated the bill should include the words "deposit or cleaning fee" if a fee would not be refundable. She stated in regard to the guest requirement on page eight, line five, there are tremendous additional charges now. She felt if a guest stays over one month, they are no longer a guest, they become an occupant of that coach. Some of these extra charges should be reduced. Ms. Vickie Demas stated they originally asked for notification of the management should a guest stay one month. This would allow for the management notification and approval. Chairman Close stated if it was a security park, notification could be made to that security department that a guest would be coming and staying over night. He stated if there is not a sucurity department, a guest would mean someone that stayed over night. Ms. Zivic stated the reasoning behind the 48 hours notice was to inform the owner should a person be staying longer that ten minuets or just for dinner. Hernstadt stated parks that had security could handle this problem with registration. Senator Wagner asked why when the tenant has as option of staying or moving, would it be up to the landlord to pay the expenses occurred in the move. Ms. Zivic stated that the law does not say anything about forcing a tenant to move.

problem occurs when a park changes from a family unit to an all adult park; with a family park, the coaches are much larger and in order for the larger coach to be sold, more time is required. When a sale is undertaken after a park changes to an adult park, it is usually sold to a couple that do not require all the space. A sale like that requires more time. She also felt the terms were too loosely put together in regard to what a landlord should pay for in moving a tenant. Mr. Stubbs stated a move could cost a landlord anywhere from \$1,500 to \$4,000. Senator Ford stated there could be a limit set on the cost of a move. She felt the nine month restriction for notification of moving was too limited and felt it should be changed. Senator Wagner stated she felt it was a fair expense to the landlord should a tenant be forced to move because a park changed from a family park to an all adult park. Ms. Zivic stated she agreed with that. She also felt there was confussion about the 5% vacancy. This statement in the bill was too broad and there should be a determination made about it or delete it totally. Ms. Zivic stated there should be at least six to nine months allowed to the tenants for a land use change. Mr. Stubbs requested the committee to consider the violations referred to on page seven, lines 10 and 11. He felt the amount of the fine should be chargable to the tenant as well as the land-Senator Wagner stated the responsibility for the landlord is spelled out in sections two through six. There would have to be additional language in the bill to allow for responsibility of the tenant. He also felt the language on page five, line 44 should be changed to allow for a 21 day period for deposits to be returned.

Ms. Fischer stated on page four, lines 11 - 15 have restrictions that apply only to private mobile home parks and she felt they should also apply to government parks. She stated on page eight, lines 23 - 27, there should be a disclosure clause in relation to the seller telling the buyer the sale is dependant upon the approval of the park owner. Mr. Schaeffer stated in regard to the mediation board, the words owner or agent should be included on page 10, line 26.

There being no further business, the meeting was adjourned at2:30 p.m.

Respectfully submitted by,

Sally Boyes, Secretary

APPROVED BY:

Senator Melvin D. Close, Chairman

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# SENATE AGENDA

### COMMITTEE MEETINGS

Committee	on JUDICIAR	У.	Room	213
Day	Saturday,	Date May 23	Time	8:00 a.m

A. B. No. 432--Makes various revisions to law governing mobile home parks.

Possible lunch work session.

SENATE COMMITTEE ON \_\_\_\_\_JUDICIARY

DATE: May 23, 1981

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DATE: May 23, 1981

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ARROWHEAD DR., CARSON CITY, NEV. 882-6028

AL & MARY FISCHER Owners 1 MILE NO. OF CITY LIMITS Vs MILE EAST OF U.S. 395 233. Arrowhead Carson City, Nevada 89701

May 22, 1981

Dear Senator:

A.B. 432 if it were passed would make it impossible to manage a clean, well-kept mobile home park for the benefit of the long term resident. We would not be able to protect our present tenants rights by screening the resident and endeavoring to rent only to people who will be compatible neighbors. We have tried in the past permitting sub-leasing and rental mobile homes in our mobile home park and have found that the majority of the people who desire that type of accommodations are people who are on the move and who are not long term residents. They do not have an investment in the mobile home and therefore they do not, as a rule, care how the lawn, landscaping, etc. is maintained. Therefore, we prohibit this in our rental agreement. No one is forced to move into our mobile home park. Everyone can find another place to live if they want to rent their mobile to anyone or have anyone move in with them, but our tenants chose us because they like our rules and regulations. We therefore, believe that #4 under Section 3, page 2 should not be included.

We have never prohibited a tenant from having a guest but we do not permit them to have someone become a permanent occupant without our written permission. Again this is to protect the other residents so that we do not have undesirables moving in or families doubling up without adequate space for all concerned. If #5, Sec. 2, Page 2 and #7 Page 8 were passed, we believe that our control over the number and the specific people who were resident within the mobile home park would be abolished. The person that is hurt is the good tenant.

Again on Page 8, #3, Sec. 15, we would need a billboard to post all of that information. If it is contained in the rental agreement then it is up to the seller to inform the buyer or the buyer to investigate. Perhaps it would be better to make the seller liable for any misinformation that is given to the buyer and let the seller be sued by the buyer as is done in other types of Real Estate. We have it in our rental agreement, we send out written notices to the seller, real estate agents, etc. when we know that a sale is pending, and half the time we still do not know what is going on because the tenant (seller) vants to keep their business private and will not inform us of what their plans are.

One addition to 118 that might be included would be on Page 10, Section 20, #2, where you might insert owners of mobile home parks or their agents. It is difficult to find enough mobile

home park owners to sit on the board since many of the parks are operated by a manager.

On page 7, Sec. 14, #6. We really don't believe that the amount of fees is something that should be legislated. Again, if someone pays on time there is no need for them to worry at all and if they are consistently late perhaps large late charges might encourage prompt payment. We are obligated to pay our bills on time and our only income comes from the rent that is collected. If we are on a master meter, we have to pay the electricity for everyone even tho they have not paid us. To permit them to be late is hurting everyone by making higher operating costs that will just have to be absorbed somewhere else.

We believe that provisions of Sec. 5, Page 2 are good since we have never felt that rules or regulations should be made retroactive unless a health regulation is involved. However, if no one is forced to move then why should the landlord pay someone if they want to move when the choice is clearly theirs to make. We would see many places for abuses to this provision that again would only increase the basic costs of doing business. This must be absorbed by everyone.

60 days or 90 days or whatever is fine for giving rent increase notices except when the city gives you less than 30 days on your tax increases or water and sewer increases. We feel that if we must give such long lead room that other industries including government must give us the same lead room when they make their increases to us.

Many mobile home parks including ourselves do not accept cash for payment and the reason is safety, both the tenants and our own. We do not have the security facilities of a store where things are locked at a certain hour and banked, but we have people coming to the door at all hours and therefore have the potential for getting robbed at any time. If it is known that we accept cash and that many pay that way at the first of the month, the potential for a robbery is greatly increased. Also when only checks or money orders are accepted, we have less chance of someone losing the money and thereby causing hard feelings and distrust between management and tenants. Again this seems like a very small thing for the legislature to be ruling on.

Sincerely,

Al and Mary Fischer

Cottonwood Mobile Home Park