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ASSEMBLY BILL NO. 212—COMMITTEE ON COMMERCE AND LABOR

(ON BEHALF OF THE DEPARTMENT OF BUSINESS AND INDUSTRY,  
MANUFACTURED HOUSING DIVISION)

FEBRUARY 27, 2003

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Referred to Committee on Commerce and Labor

**SUMMARY**—Revises provisions relating to Account for Education and Recovery Relating to Manufactured Housing. (BDR 43-462)

**FISCAL NOTE:** Effect on Local Government: No.  
Effect on the State: No.

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

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AN ACT relating to manufactured housing; revising certain fees related to licensing certain persons for activities relating to manufactured housing; revising various provisions governing a petition for, the permissible amount of, entitlement to and the procedures for recovery from the Account for Education and Recovery Relating to Manufactured Housing; authorizing certain appeals of orders directing payment from the Account; and providing other matters properly relating thereto.

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

1     **Section 1.** NRS 489.4971 is hereby amended to read as  
2 follows:  
3     489.4971 1. The Account for Education and Recovery  
4 Relating to Manufactured Housing is hereby created within the Fund  
5 for Manufactured Housing to satisfy the claims of purchasers of  
6 manufactured homes, mobile homes or commercial coaches against  
7 persons licensed pursuant to the provisions of this chapter. Any  
8 balance in the Account over \$500,000 at the end of any fiscal year  
9 must be set aside and used by the Administrator for education



1 relating to manufactured homes, mobile homes, travel trailers or  
2 commercial coaches.

3 2. Upon the issuance or renewal of the following licenses by  
4 the Division, the licensee must pay in addition to the original or  
5 renewal license fee, a fee:

6 (a) For a dealer's or manufacturer's original license, or an  
7 original limited dealer's license issued pursuant to NRS 489.281, of  
8 \$1,000.

9 (b) For a dealer's or manufacturer's renewal license, or a  
10 renewal limited dealer's license issued pursuant to NRS 489.281, of  
11 \$600.

12 (c) For an original or renewal license for:

13 (1) A serviceman, rebuilder or installer, of \$150.

14 (2) A salesman, of ~~[\$25.]~~ \$75.

15 (3) A responsible managing employee, of ~~[\$50.]~~ \$100.

16 Except as otherwise provided in NRS 489.265, fees collected  
17 pursuant to this section must be deposited in the State Treasury for  
18 credit to the Account.

19 3. A payment from the Account to satisfy the claim of a  
20 purchaser specified in subsection 1 against a person who is licensed  
21 pursuant to this chapter must be made only upon an appropriate  
22 court order that is issued in an action for fraud, misrepresentation or  
23 deceit relating to an act for which a license is required pursuant to  
24 this chapter.

25 **Sec. 2.** NRS 489.4975 is hereby amended to read as follows:

26 489.4975 1. If a purchaser of a manufactured home, mobile  
27 home or commercial coach obtains a final judgment in any court of  
28 competent jurisdiction against any licensee under this chapter in an  
29 action specified in subsection 3 of NRS 489.4971, the judgment  
30 creditor may, upon the termination of all proceedings, including  
31 appeals in connection with any judgment, file a verified petition ,  
32  *naming the Administrator as a party,* in the court in which the  
33 judgment was entered for an order directing payment from the  
34 Account in the amount of  *the unpaid* actual damages ,  ~~included in~~  
35  ~~the judgment and unpaid,~~ but not more than \$25,000 per  ~~judgment~~  
36  ~~and the~~  *transaction, regardless of the number of judgments*  
37  *relating to the same transaction obtained against a licensee or*  
38  *against multiple licensees. The* liability of the Account may not  
39 exceed \$100,000 for any  ~~licensee.~~  *person licensed pursuant to*  
40  *this chapter, whether he is licensed as a limited-liability company,*  
41  *partnership, association or corporation or as a natural person, or*  
42  *both.*

43 2. A copy of the petition must be served upon the  
44 Administrator and an affidavit of service filed with the court. The  
45 petition and each copy of the petition served pursuant to this



1 subsection must set forth the grounds which entitle the judgment  
2 creditor to recover from the Account and must include a copy of:

- 3 (a) The final judgment specified in subsection 1;
- 4 (b) The complaint upon which the final judgment was entered;
- 5 and
- 6 (c) ~~If assets are known to exist, the~~ *The* writ of execution that  
7 was returned unsatisfied.

8 3. The court shall act upon the petition within 30 days after  
9 service and, upon the hearing of the petition, the judgment creditor  
10 must show that:

- 11 (a) He is not the spouse of the judgment debtor, or the personal  
12 representative of that spouse.
- 13 (b) He has complied with all the requirements of NRS 489.4971  
14 to 489.4989, inclusive.
- 15 (c) He has obtained a judgment of the kind described in  
16 subsection 1, stating the amount of the judgment and the amount  
17 owing on it at the date of the petition.
- 18 (d) A writ of execution has been issued upon the judgment and  
19 that no assets of the judgment debtor liable to be levied upon in  
20 satisfaction of the judgment could be found, or that the amount  
21 realized on the sale of any of them that were found under the  
22 execution was insufficient to satisfy the judgment, stating the  
23 amount so realized and the balance remaining due.
- 24 (e) He and the Division have made reasonable searches and  
25 inquiries to ascertain whether the judgment debtor possesses real or  
26 personal property or other assets, liable to be sold or applied in  
27 satisfaction of the judgment.
- 28 (f) The petition has been filed not more than 1 year after the  
29 termination of all proceedings, including reviews and appeals, in  
30 connection with the judgment.

31 *4. A person licensed pursuant to this chapter shall not*  
32 *recover from the Account for damages related to a transaction in*  
33 *which he acted in his capacity as a licensee.*

34 *5. As used in this section, "unpaid actual damages" means*  
35 *unpaid damages excluding any award for attorney's fees, interest*  
36 *or costs.*

37 **Sec. 3.** NRS 489.4977 is hereby amended to read as follows:  
38 489.4977 1. The Administrator may answer and defend any  
39 action against the Account in the name of the defendant and may  
40 use any appropriate method of review on behalf of the Account.

41 2. ~~The~~ *Unless the judgment was entered by default, consent*  
42 *or stipulation or the case was uncontested, the* judgment set forth  
43 in the petition must be considered as prima facie evidence ~~only~~  
44 ~~and~~ *, but* the findings of fact in it are not conclusive for the  
45 purposes of this chapter.



1 3. The Administrator may, subject to court approval,  
2 compromise a claim based upon the application of the judgment  
3 creditor. He shall not be bound by any prior compromise of the  
4 judgment debtor.

5 **Sec. 4.** NRS 489.4979 is hereby amended to read as follows:  
6 489.4979 After the hearing, if the court finds that a claim may  
7 be made against the Account, the court shall enter an order directing  
8 the Administrator to pay from the Account an amount within the  
9 limitations set by NRS 489.4975 and 489.4983. *The Administrator*  
10 *may appeal any court order directing him to pay from the*  
11 *Account.*

12 **Sec. 5.** This act becomes effective upon passage and approval.

