ASSEMBLY BILL NO. 498-COMMITTEE ON COMMERCE AND LABOR

MARCH 24, 2003

Referred to Committee on Commerce and Labor

SUMMARY—Makes various changes to provisions governing manufactured home parks. (BDR 10-1296)

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.

AN ACT relating to manufactured home parks; revising the provisions governing the calculation of interest on deposits held by landlords; requiring a landlord to provide certain information to tenants; expanding the requirements for continuing education for managers and assistant managers of such parks; authorizing a landlord to require a security deposit for certain uses of facilities in such parks; providing for an expedited notice of termination of leases under certain circumstances; providing for the termination of a lease without notice for habitual nonpayment of rent; revising the provisions governing the obligations of a landlord upon converting a park to another use; and providing other matters properly relating thereto.

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

Section 1. NRS 118B.040 is hereby amended to read as follows:

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118B.040 1. An approved applicant for residency may request 72 hours to review the proposed rental agreement or lease, the rules and regulations of the manufactured home park and other residency documents. Upon receiving such a request, the landlord shall allow the approved applicant to review the documents for 72 hours. This review period does not, however,



prevent the landlord from accepting another tenant for the space or residency while the 72 hours is pending.

- 2. A rental agreement or lease between a landlord and tenant to rent or lease any manufactured home lot must be in writing. The landlord shall give the tenant a copy of the agreement or lease at the time the tenant signs it.
- [2.] 3. A rental agreement or lease must contain, but is not limited to, provisions relating to:
 - (a) The duration of the agreement.

- (b) The amount of rent, the manner and time of its payment and the amount of any charges for late payment and dishonored checks.
 - (c) Restrictions on occupancy by children or pets.
- (d) Services and utilities included with the rental of a lot and the responsibility of maintaining or paying for them, including the charge, if any, for cleaning the lots.
- (e) Deposits which may be required and the conditions for their refund.
- (f) Maintenance which the tenant is required to perform and any appurtenances he is required to provide.
- (g) The name and address of the owner of the manufactured home park and his authorized agent.
 - (h) Any restrictions on subletting.
- (i) Any recreational facilities and other amenities provided to the tenant and any deposits or fees required for their use.
- (j) Any restriction of the park to older persons pursuant to federal law.
 - (k) The dimensions of the manufactured home lot of the tenant.
 - (1) A summary of the provisions of NRS 202.470.
- (m) Information regarding the procedure pursuant to which a tenant may report to the appropriate authorities:
 - (1) A nuisance.
- (2) A violation of a building, safety or health code or regulation.
- (n) The amount to be charged each month to the tenant to reimburse the landlord for the cost of a capital improvement to the manufactured home park. Such an amount must be stated separately and include the length of time the charge will be collected and the total amount to be recovered by the landlord from all tenants in the manufactured home park.
 - **Sec. 2.** NRS 118B.060 is hereby amended to read as follows:
- 118B.060 1. Any payment, deposit, fee or other charge which is required by the landlord in addition to periodic rent, utility charges or service fees and is collected as prepaid rent or a sum to compensate for any tenant default is a "deposit" governed by the provisions of this section.



- 2. The landlord shall maintain a separate record of the deposits.
- 3. Except as otherwise provided in subsection 4:

- (a) All deposits are refundable, and upon termination of the tenancy, or if the deposit is collected as a sum to compensate for a tenant default, not more than 5 years after the landlord receives the deposit, the landlord may claim from a deposit only such amounts as are reasonably necessary to remedy tenant defaults in the payment of rent, utility charges or service fees and to repair damage to the park caused by the tenant. The landlord shall provide the tenant with an itemized written accounting of the disposition of the deposit.
- (b) Any refund must be sent to the tenant within 21 days after the tenancy is terminated.
- 4. Each deposit collected as a sum to compensate for a tenant default must be refunded to the tenant not more than 5 years after the landlord receives the deposit or upon the termination of the tenancy, whichever is earlier. The refund must include interest at [the rate of 5 percent per year, compounded annually, for the entire period during which the deposit was held by the landlord.] a rate that is equal to the prime rate at the largest bank in Nevada, as ascertained by the Commissioner of Financial Institutions, on January 1 or July 1, as the case may be, immediately preceding the date on which the deposit is made, plus 2 percent. The rate must be adjusted accordingly on each January 1 and July 1 thereafter until the deposit is refunded to the tenant.
- 5. Upon termination of the landlord's interest in the manufactured home park, the landlord shall transfer to his successor in interest that portion of the deposit remaining after making any deductions allowed pursuant to this section or refund that portion to the tenant.
- 6. If the former landlord fails to transfer that portion of the deposit remaining to the successor in interest or refund it to the tenant at the time the successor in interest takes possession, the successor becomes jointly and severally liable with the former landlord for refunding to the tenant that portion of the deposit to which he is entitled.
- 7. If the former landlord fails to transfer or refund the deposit, the tenant may not be required to pay another deposit until the successor in interest refunds the deposit to the tenant or provides him with an itemized written accounting of the statutorily authorized disposition of the deposit.
- 8. The claim of the tenant to any deposit to which he is entitled by law takes precedence over the claim of any creditor of the landlord.
- 9. The provisions of this section do not apply to a corporate cooperative park.



Sec. 3. NRS 118B.067 is hereby amended to read as follows:

existing tenant.

- 118B.067 *1*. If a landlord approves the placement of a manufactured home on a lot in a park and it is determined after the home is placed on the lot that the placement of the home does not comply with the requirements of the local ordinances relating to that placement, the landlord shall pay the cost to ensure compliance with those requirements.
- 2. À landlord shall notify any tenant who is bringing a manufactured home which is new to the manufactured home park into the manufactured home park that the provisions of NRS 489.311 require that only persons licensed by the State of Nevada as manufactured home installers are legally permitted to set up and install a manufactured home. Before the tenant may bring such a manufactured home into the manufactured home park, the tenant must provide to the landlord a copy of the license issued pursuant to NRS 489.311 to the person who will be installing the manufactured home.
- **Sec. 4.** NRS 118B.080 is hereby amended to read as follows: 118B.080 1. The landlord shall disclose in writing to each tenant the:
- (a) Name, address and telephone number of the owner and manager or assistant manager of the manufactured home park; and
- (b) Name and address of a person authorized to receive service of process for the landlord, and any change thereof.
- 2. The information must be furnished in writing to each new tenant on or before the commencement of his tenancy and to each
- 3. A landlord shall post, or provide to each tenant, the office hours or landlord's availability at the park location.
 - **Sec. 5.** NRS 118B.086 is hereby amended to read as follows:
- 118B.086 1. Each manager and assistant manager of a manufactured home park which has [25] 2 or more lots shall complete annually 6 hours of continuing education relating to the management of a manufactured home park.
- 2. The Administrator shall adopt regulations specifying the areas of instruction for the continuing education required by subsection 1.
- 3. The instruction must include, but is not limited to, information relating to:
 - (a) The provisions of chapter 118B of NRS;
- 42 (b) Leases and rental agreements;
- 43 (c) Unlawful detainer and eviction as set forth in NRS 40.215 to 44 40.425, inclusive;



(d) The resolution of complaints and disputes concerning landlords and tenants of manufactured home parks; and

- (e) The adoption and enforcement of the rules and regulations of a manufactured home park.
- 4. Each course of instruction and the instructor of the course must be approved by the Administrator. The Administrator shall adopt regulations setting forth the procedure for applying for approval of an instructor and course of instruction. The Administrator may require submission of such reasonable information by an applicant as he deems necessary to determine the suitability of the instructor and the course. The Administrator shall not approve a course if the fee charged for the course is not reasonable. Upon approval, the Administrator shall designate the number of hours of credit allowable for the course.
 - **Sec. 6.** NRS 118B.087 is hereby amended to read as follows:
- 118B.087 1. There are hereby created two regions to provide courses of continuing education pursuant to NRS 118B.086. One region is the northern region consisting of the counties of Washoe, Storey, Douglas, Lyon, Churchill, Pershing, Humboldt, Lander, Elko, Eureka, Mineral, White Pine and Carson City, and one region is the southern region consisting of the counties of Lincoln, Nye, Esmeralda and Clark.
- 2. The person who applied for approval of a course or his designee shall notify the Administrator of the date and location each time the course is offered, as soon as practicable after scheduling the course.
- 3. The Administrator shall ensure that a course of continuing education is offered at least every 6 months in each region. If the Administrator finds that no approved course will be offered to meet the requirements of this subsection, he shall offer the course and charge a reasonable fee for each person enrolled in the course.
- 4. If the fees collected by the Administrator for the course do not cover the cost of offering the course, the Administrator shall determine the difference between the fees collected and the cost of offering the course, divide that amount by the number of manufactured home parks which have [25] 2 lots or more in the region in which the course was held and assess that amount to each landlord of such a manufactured home park. The landlord shall pay the assessment within 30 days after it was mailed by the Administrator.
- **Sec. 7.** NRS 118B.150 is hereby amended to read as follows: 118B.150 1. Except as otherwise provided in [subsection 2,] subsections 2 and 3, the landlord or his agent or employee shall not:
 - (a) Increase rent or additional charges unless:



- (1) The rent charged after the increase is the same rent charged for manufactured homes of the same size or lots of the same size or of a similar location within the park, including, without limitation, manufactured homes and lots which are held pursuant to a long-term lease, except that a discount may be selectively given to persons who:
 - (I) Are handicapped;

- (II) Are 55 years of age or older;
- (III) Are long-term tenants of the park if the landlord has specified in the rental agreement or lease the period of tenancy required to qualify for such a discount;
 - (IV) Pay their rent in a timely manner; or
- (V) Pay their rent by check, money order or electronic means:
- (2) Any increase in additional charges for special services is the same amount for each tenant using the special service; and
- (3) Written notice advising a tenant of the increase is received by the tenant 90 days before the first payment to be increased and written notice of the increase is given to prospective tenants before commencement of their tenancy. In addition to the notice provided to a tenant pursuant to this subparagraph, if the landlord or his agent or employee knows or reasonably should know that the tenant receives assistance from the Fund created pursuant to NRS 118B.215, the landlord or his agent or employee shall provide to the Administrator written notice of the increase 90 days before the first payment to be increased.
- (b) Require a tenant to pay for an improvement to the common area of a manufactured home park unless the landlord is required to make the improvement pursuant to an ordinance of a local government.
- (c) Require a tenant to pay for a capital improvement to the manufactured home park unless the tenant has notice of the requirement at the time he enters into the rental agreement. A tenant may not be required to pay for a capital improvement after the tenant enters into the rental agreement unless the tenant consents to it in writing or is given 60 days' notice of the requirement in writing. The landlord may not establish such a requirement unless a meeting of the tenants is held to discuss the proposal and the landlord provides each tenant with notice of the proposal and the date, time and place of the meeting not less than 60 days before the meeting. The notice must include a copy of the proposal. A notice in a periodic publication of the park does not constitute notice for the purposes of this paragraph.
 - (d) Require a tenant to pay his rent by check or money order.



(e) Require a tenant who pays his rent in cash to apply any change to which he is entitled to the next periodic payment that is due. The landlord or his agent or employee shall have an adequate amount of money available to provide change to such a tenant.

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- (f) Prohibit or require fees or deposits for any meetings held in the park's community or recreational facility by the tenants or occupants of any manufactured home or recreational vehicle in the park to discuss the park's affairs, or any political [or social] meeting sponsored by a tenant, if the meetings are held at reasonable hours and when the facility is not otherwise in use, or prohibit the distribution of notices of those meetings.
- (g) Interrupt, with the intent to terminate occupancy, any utility service furnished the tenant except for nonpayment of utility charges when due. Any landlord who violates this paragraph is liable to the tenant for actual damages.
- (h) Prohibit a tenant from having guests, but he may require the tenant to register the guest within 48 hours after his arrival, Sundays and legal holidays excluded, and if the park is a secured park, a guest may be required to register upon entering and leaving.
- (i) Charge a fee for a guest who does not stay with the tenant for more than a total of 60 days in a calendar year. The tenant of a manufactured home lot who is living alone may allow one other person to live in his home without paying an additional charge or fee, unless such a living arrangement constitutes a violation of chapter 315 of NRS. No agreement between a tenant and his guest alters or varies the terms of the rental contract between the tenant and the landlord, and the guest is subject to the rules and regulations of the landlord.
- (j) Prohibit a tenant from erecting a fence along the perimeter of the tenant's lot if the fence complies with any standards for fences established by the landlord, including limitations established for the height of fences, the materials used for fences and the manner in which fences are to be constructed.
- (k) Prohibit any tenant from soliciting membership in any association which is formed by the tenants who live in the park. As used in this paragraph, "solicit" means to make an oral or written request for membership or the payment of dues or to distribute, circulate or post a notice for payment of those dues.
- (l) Prohibit a public officer, candidate for public office or the representative of a public officer or candidate for public office from walking through the park to talk with the tenants or distribute political material.
- (m) If a tenant has voluntarily assumed responsibility to trim the trees on his lot, require the tenant to trim any particular tree located



on the lot or dispose of the trimmings unless a danger or hazard exists.

- 2. The landlord is entitled to require a security deposit from a tenant who wants to use the manufactured home park's clubhouse, swimming pool or other park facilities for the tenant's exclusive use. The landlord may require the deposit at least 1 week before the use. The landlord shall apply the deposit to costs which occur due to damage or clean up from the tenant's use within 1 week after the use, if any, and shall, on or before the 8th day after the use, refund any unused portion of the deposit to the tenant making the deposit. The landlord is not required to place such a deposit into a financial institution or to pay interest on the deposit.
- 3. The provisions of paragraphs (a), (b), (c), (j) and (m) of subsection 1 do not apply to a corporate cooperative park.
- [3.] 4. As used in this section, "long-term lease" means a rental agreement or lease the duration of which exceeds 12 months.
 - **Sec. 8.** NRS 118B.177 is hereby amended to read as follows:
- 118B.177 1. If a landlord closes a manufactured home park he shall pay:
- (a) The cost of moving each tenant's manufactured home and its appurtenances to a new location within 50 miles from the manufactured home park; [or]
- (b) If the tenant elects to have the manufactured home removed by the landlord and there is no manufactured home park within 50 miles willing to accept the home, the home cannot be moved without being structurally damaged or the tenant elects to abandon the home, the cost of moving a comparably sized manufactured home minus the cost of removal and disposal of the home; or
- (c) If the new location is more than 50 miles from the manufactured home park, the cost of moving the manufactured home for the first 50 miles,
- including fees for inspection, any deposits for connecting utilities, and the cost of taking down, moving, setting up and leveling the manufactured home and its appurtenances in the new lot or park.
- 2. Written notice of the closure must be served on each tenant in the manner provided in NRS 40.280, giving the tenant at least 180 days after the date of the notice before he is required to move his manufactured home from the lot.
 - **Sec. 9.** NRS 118B.183 is hereby amended to read as follows:
- 118B.183 1. A landlord may convert an existing manufactured home park to any other use of the land if the change is approved by the appropriate local zoning board, planning commission or governing body, and:



- (a) The landlord gives notice in writing to each tenant within 5 days after he files his application for the change in land use with the local zoning board, planning commission or governing body;
 - (b) The landlord pays:

- (1) The cost of moving the tenant's manufactured home and its appurtenances to a new location within 50 miles from the manufactured home park; [orl]
- (2) If the tenant elects to have the manufactured home removed by the landlord and there is no manufactured home park within 50 miles willing to accept the home, the home cannot be moved without being structurally damaged or the tenant elects to abandon the home, the cost of moving a comparably sized manufactured home minus the cost of removal and disposal of the home; or
- (3) If the new location is more than 50 miles from the manufactured home park, the cost of moving the manufactured home for the first 50 miles,
- including fees for inspection, any deposits for connecting utilities and the cost of taking down, moving, setting up and leveling his manufactured home and its appurtenances in the new lot or park; and
- (c) After the landlord is granted final approval of the change by the appropriate local zoning board, planning commission or governing body, written notice is served on each tenant in the manner provided in NRS 40.280, giving the tenant at least 180 days after the date of the notice before he is required to move his manufactured home from the lot.
- 2. A landlord shall not increase the rent of any tenant for 180 days before applying for a change in land use, permit or variance affecting the manufactured home park.
- 3. The provisions of this section do not apply to a corporate cooperative park.
- Sec. 10. NRS 118B.190 is hereby amended to read as follows:
- 118B.190 1. A written agreement between a landlord and tenant for the rental or lease of a manufactured home lot in a manufactured home park in this state, or for the rental or lease of a lot for a recreational vehicle in an area of a manufactured home park in this state other than an area designated as a recreational vehicle lot pursuant to the provisions of subsection 6 of NRS 40.215, must not be terminated by the landlord except upon notice in writing to the tenant served in the manner provided in NRS 40.280:
- (a) [Five] Except as otherwise provided in paragraph (b), 5 days in advance if the termination is because the conduct of the tenant constitutes a nuisance as [described in subsection 6 of NRS 118B.200.



- (b) Ten] defined in NRS 40.140 or violates a state law or local ordinance.
- (b) Three days in advance upon the issuance of temporary writ of restitution pursuant to NRS 40.300 on the grounds that a nuisance as defined in NRS 40.140 has occurred in the park by the act of a tenant or any guest, visitor or other member of a tenant's household consisting of any of the following specific activities:
 - (1) Discharge of a weapon.
 - (2) Prostitution.

- (3) Illegal drug manufacture or use.
- (4) Child molestation or abuse.
- (5) Property damage as a result of vandalism.
- (6) Operating a vehicle while under the influence of alcohol or any other controlled substance.
 - (7) Elder molestation or abuse.
- (c) Except as otherwise provided in subsection 6, 10 days in advance if the termination is because of failure of the tenant to pay rent, utility charges or reasonable service fees.
- [(e)] (d) One hundred eighty days in advance if the termination is because of a change in the use of the land by the landlord pursuant to NRS 118B.180.
- [(d)] (e) Forty-five days in advance if the termination is for any other reason.
- 2. The landlord shall specify in the notice the reason for the termination of the agreement. The reason relied upon for the termination must be set forth with specific facts so that the date, place and circumstances concerning the reason for the termination can be determined. The termination must be in accordance with the provisions of NRS 118B.200 and reference alone to a provision of that section does not constitute sufficient specificity pursuant to this subsection.
- 3. The service of such a notice does not enhance the landlord's right, if any, to enter the tenant's manufactured home. Except in an emergency, the landlord shall not enter the manufactured home of the tenant served with such a notice without the tenant's permission or a court order allowing the entry.
- 4. If a tenant remains in possession of the manufactured home lot after expiration of the term of the rental agreement, the tenancy is from week to week in the case of a tenant who pays weekly rent, and in all other cases the tenancy is from month to month. The tenant's continued occupancy is on the same terms and conditions as were contained in the rental agreement unless specifically agreed otherwise in writing.



- 5. The landlord and tenant may agree to a specific date for termination of the agreement. If any provision of this chapter specifies a period of notice which is longer than the period of a particular tenancy, the required length of the period of notice is controlling.
- 6. Notwithstanding any provision of NRS 40.215 to 40.425, inclusive, if a tenant has received three notices for nonpayment of rent in accordance with subsection 1, the landlord is not required to give the tenant a further 10-day notice in advance of termination if the termination is because of failure to pay rent, utility charges or reasonable service fees.
- **Sec. 11.** NRS 118B.200 is hereby amended to read as follows: 118B.200 *I.* Notwithstanding the expiration of a period of a tenancy, the rental agreement described in NRS 118B.190 may not be terminated except for:
- [1.] (a) Failure of the tenant to pay rent, utility charges or reasonable service fees within 10 days after written notice of delinquency served upon the tenant in the manner provided in NRS 40.280;
- [2.] (b) Failure of the tenant to correct any noncompliance with a law, ordinance or governmental regulation pertaining to manufactured homes or recreational vehicles or a valid rule or regulation established pursuant to NRS 118B.100 or to cure any violation of the rental agreement within a reasonable time after receiving written notification of noncompliance or violation;
- [3.] (c) Conduct of the tenant in the manufactured home park which constitutes an annoyance to other tenants;
- [4.] (d) Violation of valid rules of conduct, occupancy or use of park facilities after written notice of the violation is served upon the tenant in the manner provided in NRS 40.280;
- [5.] (e) A change in the use of the land by the landlord pursuant to NRS 118B.180;
- [6.] (f) Conduct of the tenant which constitutes a nuisance as defined in NRS 40.140 or which violates a state law or local ordinance [; or
- 7.], specifically including, without limitation:
 - (1) Discharge of a weapon;
 - (2) Prostitution;

- (3) Illegal drug manufacture or use;
 - (4) Child molestation or abuse;
 - (5) Elder molestation or abuse;
- 42 (6) Property damage as a result of vandalism; and
- 43 (7) Operating a motor vehicle while under the influence of 44 alcohol or any other controlled substance; or



- (g) In a manufactured home park that is owned by a nonprofit organization or housing authority, failure of the tenant to meet qualifications relating to age or income which:
 - (a) (1) Are set forth in the lease signed by the tenant; and (b) (2) Comply with federal, state and local law.
- 2. A tenant who has received three or more 10-day notices to quit for failure to pay rent in the preceding 12-month period may have his tenancy terminated by the landlord for habitual failure to pay timely rent.
 - **Sec. 12.** NRS 40.251 is hereby amended to read as follows:
- 40.251 A tenant of real property, a recreational vehicle or a mobile home for a term less than life is guilty of an unlawful detainer when having leased:
- 1. Real property, except as otherwise provided in this section, or a mobile home for an indefinite time, with monthly or other periodic rent reserved, he continues in possession thereof, in person or by subtenant, without the landlord's consent after the expiration of a notice of:
 - (a) For tenancies from week to week, at least 7 days;
 - (b) For all other periodic tenancies, at least 30 days; or
 - (c) For tenancies at will, at least 5 days.

- 2. A dwelling unit subject to the provisions of chapter 118A of NRS, he continues in possession, in person or by subtenant, without the landlord's consent after expiration of:
- (a) The term of the rental agreement or its termination and, except as otherwise provided in paragraph (b), the expiration of a notice of at least 7 days for tenancies from week to week and 30 days for all other periodic tenancies; or
- (b) A notice of at least 5 days where the tenant has failed to perform his basic or contractual obligations under chapter 118A of NRS.
- 3. A mobile home lot subject to the provisions of chapter 118B of NRS, or a lot for a recreational vehicle in an area of a mobile home park other than an area designated as a recreational vehicle lot pursuant to the provisions of subsection 6 of NRS 40.215, he continues in possession, in person or by subtenant, without the landlord's consent, [after]:
- (a) After notice has been given pursuant to NRS 118B.115, 118B.170 or 118B.190 and the period of the notice has expired [.]; or
- (b) If the person has received three notices for nonpayment of rent within a 12-month period, immediately upon failure to pay timely rent.



4. A recreational vehicle lot, he continues in possession, in person or by subtenant, without the landlord's consent, after the expiration of a notice of at least 5 days.



