SENATE BILL NO. 151–SENATOR TAYLOR

PREFILED JANUARY 31, 2025

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions relating to manufactured home parks. (BDR 10-755)

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

EXPLANATION - Matter in *bolded italics* is new; matter between brackets [omitted material] is material to be omitted.

AN ACT relating to manufactured home parks; requiring the Housing Division of the Department of Business and Industry to calculate annually and publish a maximum annual rent increase percentage in manufactured home parks; authorizing certain persons to apply for an exemption to certain requirements relating to increases in rent; revising certain requirements related to increases in rent for certain tenancies in manufactured home parks; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law establishes certain requirements relating to manufactured home parks. (Chapter 118B of NRS) Existing law prohibits a landlord or his or her agent or employee from increasing rent or additional charges unless the increased rent 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, except that a discount may be given to certain persons. (NRS 118B.150) Section 6 of this bill prohibits a landlord or his or her agent or employee from increasing rent for a tenancy that is from month to month and not a long-term lease unless the amount of the increase does not exceed the maximum annual rent increase percentage calculated by the Housing Division of the Department of Business and Industry, plus the amount of pass-through expenses actually incurred by the landlord of the manufactured home park.

12 Section 4 of this bill: (1) authorizes a landlord or his or her agent or employee 13 to apply to the Division for an exemption from the limit on the maximum annual 14 rent increase if the operating costs of the manufactured home park exceed the 15 amount the park would earn with the increase in rent; (2) requires an application for 16 such an exemption to include any proof necessary to justify an exemption and a report that demonstrates the need for an exemption prepared by a certified public 17 18 accountant; and (3) requires the Division to adopt regulations to establish the 19 application process.





20 Section 3 of this bill requires the Division to calculate annually and publish on 21 22 23 24 25 26 27 28 29 an Internet website maintained by the Division the maximum annual rent increase percentage for that fiscal year. Section 3 also requires the Division to: (1) issue a press release containing the maximum annual rent increase percentage for that fiscal year; and (2) maintain on the Internet website for at least 2 years information relating to each maximum annual rent increase percentage.

Section 2 of this bill defines "maximum annual rent increase percentage" to mean the maximum annual rent increase percentage calculated by the Division pursuant to section 3. Section 5 of this bill makes a conforming change to add the definition of "maximum annual rent increase percentage" set forth in section 2 to 30 the list of definitions in existing law governing manufactured home parks.

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

1 **Section 1.** Chapter 118B of NRS is hereby amended by adding 2 thereto the provisions set forth as sections 2, 3 and 4 of this act.

3 "Maximum annual rent increase percentage" means Sec. 2. the maximum annual rent increase percentage calculated by the 4 5 Division pursuant to section 3 of this act.

6 Sec. 3. 1. On or before July 1 of each year, the Division 7 shall:

8 (a) Calculate the maximum annual rent increase percentage 9 for the following fiscal year, which must be equal to 60 percent of the 12-month average change in the Consumer Price Index for All 10 Urban Consumers, West Region (All Items) for May, as most 11 recently published by the United States Department of Labor; 12

13 (b) Publish on an Internet website maintained by the Division 14 the maximum annual rent increase percent for that fiscal year; 15 and

16 (c) Issue a press release containing the maximum annual rent 17 increase percentage for that fiscal year.

2. The Division shall maintain the information for each 18 maximum annual rent increase percentage calculated pursuant to 19 20 subsection 1 on an Internet website maintained by the Division for 21 at least 2 years.

22 3. As used in this section, "fiscal year" has the meaning 23 ascribed to it in NRS 354.526.

Sec. 4. 1. A landlord or his or her agent or employee may 24 25 apply to the Division for an exemption from the requirements of paragraph (b) of subsection 1 of NRS 118B.150 if the costs of 26 operating the manufactured home park exceed the amount the 27 28 park would earn with the limit on the maximum annual rent 29 increase established pursuant to paragraph (b) of subsection 1 of 30 NRS 118B.150.

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6 to practice in this State pursuant to the provisions of chapter 628 7 of NRS. 8 3. The Division shall adopt regulations to carry out the 9 provisions of this section. 10 **Sec. 5.** NRS 118B.010 is hereby amended to read as follows: 11 118B.010 As used in this chapter, unless the context otherwise 12 requires, the words and terms defined in NRS 118B.0105 to 13 118B.0195, inclusive, *and section 2 of this act* have the meanings 14 ascribed to them in those sections. Sec. 6. NRS 118B.150 is hereby amended to read as follows: 15 16 118B.150 1. Except as otherwise provided in subsections 2 17 and 3, the landlord or his or her agent or employee shall not: 18 (a) Increase rent or additional charges unless: 19 (1) The rent charged after the increase is the same rent 20 charged for manufactured homes of the same size or lots of the same size or of a similar location within the park, including, without 21 22 limitation, manufactured homes and lots which are held pursuant to 23 a long-term lease, except that a discount may be selectively given to 24 persons who: 25 (I) Are handicapped; 26 (II) Are 55 years of age or older; 27 (III) Are long-term tenants of the park if the landlord has 28 specified in the rental agreement or lease the period of tenancy 29 required to qualify for such a discount; 30 (IV) Pay their rent in a timely manner; or (V) Pay their rent by check, money order or electronic 31 32 means: 33 (2) Any increase in additional charges for special services is 34 the same amount for each tenant using the special service; and 35 (3) Written notice advising a tenant of the increase is received by the tenant 90 days before the first payment to be 36 37 increased and written notice of the increase is given to prospective 38 tenants before commencement of their tenancy. In addition to the 39 notice provided to a tenant pursuant to this subparagraph, if the 40 landlord or his or her agent or employee knows or reasonably should 41 know that the tenant receives assistance from the Account, the 42 landlord or his or her agent or employee shall provide to the 43 Administrator written notice of the increase 90 days before the first 44 payment to be increased. S B 1 5 1

(b) A report that demonstrates the need for an exemption

which must be prepared by a certified public accountant certified

(a) Any proof necessary to justify an exemption; and

An application for an exemption submitted pursuant to

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4 5 2.

subsection 1 must include:

(b) Except as otherwise provided in section 4 of this act and in 1 2 addition to the requirements of paragraph (a), increase rent for a 3 tenancy that is from month to month and not a long-term lease 4 unless the amount of the increase does not exceed the maximum 5 annual rent increase percentage calculated by the Division 6 pursuant to section 3 of this act that is in effect at the time the landlord or his or her agent or employee is required to provide 7 8 notice of the increase pursuant to subparagraph (3) of paragraph 9 (a), plus the amount of pass-through expenses actually incurred by the landlord of the manufactured home park. 10

11 (c) Require a tenant to pay for an improvement to the common 12 area of a manufactured home park unless the landlord is required to 13 make the improvement pursuant to an ordinance of a local 14 government.

15 $\left[\frac{d}{d}\right]$ Require a tenant to pay for a capital improvement to the 16 manufactured home park unless the tenant has notice of the 17 requirement at the time the tenant enters into the rental agreement. 18 A tenant may not be required to pay for a capital improvement after 19 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 20 21 writing. The landlord may not establish such a requirement unless a 22 meeting of the tenants is held to discuss the proposal and the 23 landlord provides each tenant with notice of the proposal and the 24 date, time and place of the meeting not less than 60 days before 25 the meeting. The notice must include a copy of the proposal. A 26 notice in a periodic publication of the park does not constitute notice 27 for the purposes of this paragraph.

28 [(d)] (e) Require a tenant to pay the rent by check or money 29 order.

30 **[(e)]** (f) Require a tenant who pays the rent in cash to apply any 31 change to which the tenant is entitled to the next periodic payment 32 that is due. The landlord or his or her agent or employee shall have 33 an adequate amount of money available to provide change to such a 34 tenant.

35 [(f)] (g) Prohibit or require fees or deposits for any meetings 36 held in the park's community or recreational facility by the tenants 37 or occupants of any manufactured home or recreational vehicle in 38 the park to discuss the park's affairs, or any political meeting 39 sponsored by a tenant, if the meetings are held at reasonable hours 40 and when the facility is not otherwise in use, or prohibit the 41 distribution of notices of those meetings.

42 [(g)] (h) Interrupt, with the intent to terminate occupancy, any 43 utility service furnished the tenant except for nonpayment of utility 44 charges when due. Any landlord who violates this paragraph is 45 liable to the tenant for actual damages.





1 [(h)] (i) Prohibit a tenant from having guests, but the landlord 2 may require the tenant to register the guest within 48 hours after his 3 or her arrival, Sundays and legal holidays excluded, and if the park 4 is a secured park, a guest may be required to register upon entering 5 and leaving.

6 (i) (j) Charge a fee for a guest who does not stay with the 7 tenant for more than a total of 60 days in a calendar year. The tenant 8 of a manufactured home lot who is living alone may allow one other 9 person to live in his or her home without paying an additional charge or fee, unless such a living arrangement constitutes a 10 violation of chapter 315 of NRS. No agreement between a tenant 11 12 and his or her guest alters or varies the terms of the rental contract 13 between the tenant and the landlord, and the guest is subject to the 14 rules and regulations of the landlord.

15 [(j)] (k) Prohibit a tenant from erecting a fence on the tenant's 16 lot if the fence complies with any standards for fences established 17 by the landlord, including limitations established for the location 18 and height of fences, the materials used for fences and the manner in 19 which fences are to be constructed.

20 **[(k)]** (*l*) Prohibit any tenant from soliciting membership in any 21 association which is formed by the tenants who live in the park. As 22 used in this paragraph, "solicit" means to make an oral or written 23 request for membership or the payment of dues or to distribute, 24 circulate or post a notice for payment of those dues.

25 [(1)] (*m*) Prohibit a public officer, candidate for public office or 26 the representative of a public officer or candidate for public office 27 from walking through the park to talk with the tenants or distribute 28 political material.

29 [(m)] (n) If a tenant has voluntarily assumed responsibility to 30 trim the trees on his or her lot, require the tenant to trim any 31 particular tree located on the lot or dispose of the trimmings unless a 32 danger or hazard exists.

³³ (*o*) Charge a fee for a late monthly rental payment by a
³⁴ federal worker, tribal worker, state worker or household member of
³⁵ such a worker during a shutdown.

36 The landlord is entitled to require a security deposit from a 2. 37 tenant who wants to use the manufactured home park's clubhouse, 38 swimming pool or other park facilities for the tenant's exclusive use. 39 The landlord may require the deposit at least 1 week before the use. 40 The landlord shall apply the deposit to costs which occur due to 41 damage or cleanup from the tenant's use within 1 week after the use, 42 if any, and shall, on or before the eighth day after the use, refund 43 any unused portion of the deposit to the tenant making the deposit. 44 The landlord is not required to place such a deposit into a financial 45 institution or to pay interest on the deposit.





The provisions of paragraphs (a), $\frac{(b)}{(b)}$ (c), $\frac{(i)}{(i)}$ (d), (k) and 1 3. 2 [(m)] (n) of subsection 1 do not apply to a corporate cooperative 3 park. 4

As used in this section [, "long-term] : 4.

5 (a) "Long-term lease" means a rental agreement or lease the duration of which exceeds 12 months. 6

(b) "Pass-through expenses" means the actual costs and 7 expenses incurred by a landlord that are passed on to a tenant 8 The term does not include overhead, 9 without markup. 10 administrative expenses or profits.

11 Sec. 7. On or before July 1, 2025, the Housing Division of the Department of Business and Industry shall, in accordance with 12 13 section 3 of this act, determine the maximum annual rent increase percentage for Fiscal Year 2025-2026. 14

1. 15 Sec. 8. This section and section 7 of this act become 16 effective upon passage and approval.

17 2. Sections 1 to 6, inclusive, of this act become effective:

(a) Upon passage and approval for the purposes of adopting any 18 19 regulations and performing any other preparatory administrative 20 tasks that are necessary to carry out the provisions of this act; and

(b) On January 1, 2026, for all other purposes. 21

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