



STEVE SISOLAK
Governor

STATE OF NEVADA
DEPARTMENT OF BUSINESS & INDUSTRY
HOUSING DIVISION
1830 College Parkway Ste. 200
Carson City, Nevada 89706

TERRY J. REYNOLDS
Director

STEVE AICHROTH
Administrator

NOTICE OF ADOPTION HEARING AND AGENDA

Adoption of Permanent Regulations of the Department of Business & Industry Housing Division

September 30, 2020
9:00 a.m.

The State of Nevada Housing Division will hold a public hearing at 9:00 am, on September 30, 2020. Pursuant to the Governor's Emergency Directive 006 section 3, Directive 026 section 3, and Directive 29 section 4, the physical location requirement for this hearing has been suspended.

**Join the meeting: <https://call.lifesizecloud.com/5167382>
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United States: +1 (312) 584-2401
Meeting extension: 5167382#
Passcode: 12345#**

The purpose of the public hearing is to receive comments from all interested persons regarding the adoption of regulations that pertain to chapter 489, 461, and 118B of the Nevada Administrative Code (LCB File No. R146-18).

The following information is provided pursuant to the requirements of NRS 233B.0603:

1. The purpose of this regulation is to increase certain fees that the Division charges for various services it provides in relation to the regulation of manufactured housing. Some fees in this regulation have not been raised since 1982 and without this increase in the fees, the Division will consistently run into budgetary issues with regulating the manufactured housing industry.
2. This regulation is not a temporary regulation.

3. This is a permanent regulation and a copy of the regulation is attached to this notice. The text of the proposed regulation (LCB File No. R146-18) is also available in the State of Nevada Register of Administrative Regulations at <https://www.leg.state.nv.us/register/>.

NRS 233B.064 Permanent regulation: Prohibition against adoption until text approved or revised by Legislative Counsel; agency to provide written notification to Legislative Counsel of date of adoption; agency to issue statement of reasons for adoption upon request.

1. An agency shall not adopt, amend or repeal a permanent regulation until it has received from the Legislative Counsel the approved or revised text of the regulation in the form to be adopted. The agency shall immediately notify the Legislative Counsel in writing of the date of adoption of each regulation adopted.

2. Upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, shall issue a concise statement of the principal reasons for and against its adoption, and incorporate therein its reason for overruling the consideration urged against its adoption.

(Added to NRS by [1977, 1382](#); A [1997, 1391](#))

4. Estimated economic effects on businesses:

Adverse effects: Costs will be passed on by businesses in most cases to the end user. Businesses that responded to the Small Business Impact Statement state that up to \$1,000/yr. in increased expenses would likely be passed on to the consumer.

Beneficial effects: Sustainability of the Manufactured Housing Division, which receives no state general fund dollars. Initial estimates are that the Housing Division revenue would increase by approximately \$55,000 per year. The additional revenues will allow modernization of the division Website, and a stronger, more efficient customer interface, as well as outreach to its customers, vendors, and licensees. This will ensure the public is protected not only by regulating licensees, but also the establishments where the public receives the services.

Immediate effects: Homeowners may delay vital maintenance and repair of their homes which could result in diminishment of structure integrity and degradation of structural safety. Licensees may see a reduction in business, resulting in fewer permit requests.

Long-term effects: This is the first and only fee change for the State of Nevada Housing Division, for manufactured housing since 2003. The Nevada Housing Division Administrator has had lengthy meetings with industry representatives and the Manufactured Home Community Owners Association.

5. The Housing Division sent surveys to all licensees and had numerous discussions with industry representatives and reviewed the regulation with its legal counsel to determine the economic impact to small businesses. The impact to small business will likely be in permitting and titling, but the fee increases are minimal and within regulation.
6. There is no cost to the Housing Division for enforcement of this regulation.
7. This regulation does not overlap any other state or local governmental agency regulation.
8. This regulation is not required pursuant to a federal law.
9. This regulation does not contain any provisions which are more stringent than a federal regulation that regulates the same activity.
10. This regulation increases fees for existing services and licenses for the Housing Division specific to manufactured housing.

Persons wishing to submit public comment upon the proposed action of the Housing Division may appear at the hearing and be heard during the public comment sections of the agenda as set forth below. Members of the

public may also submit comment in advance of the meeting. These comments must be transmitted on or before September 16, 2020 to Deputy Administrator, Tim Whitright, in writing by mail addressed to Department of Business and Industry, Housing Division, 3300 W. Sahara Avenue, 3rd Floor, Ste. 300, Las Vegas, NV 89102, **or** by e-mail addressed to Tim Whitright at twhitright@housing.nv.gov. If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the State of Nevada Housing Division may proceed immediately to act upon any written submissions.

Please note due to COVID-19 and the Governor's Emergency Directives regarding social distancing requirements, this Notice will not be posted at the usual physical locations required by NRS 241. This notice and agenda have been posted at the following locations:

- (1) Nevada Housing Division's website at:
https://housing.nv.gov/Resources/Meetings/2019/Public_Meetings_and_Agendas/
- (2) Nevada State official website: <https://notice.nv.gov>
- (3) Nevada State Legislature's Administrative Regulation Notice website:
<https://www.leg.state.nv.us/App/Notice/A/>

Copies of this notice and the proposed regulation were mailed to members of the public at no charge upon pursuant to NRS 241.020(4)(c). Please contact Deputy Administrator, Tim Whitright, in writing by mail addressed to Department of Business and Industry, Housing Division, 3300 W. Sahara Avenue, 3rd Floor, Ste. 300, Las Vegas, NV 89102, **or** by e-mail addressed to Tim Whitright at twhitright@housing.nv.gov to be added to the Housing Division's Mailing List.

AGENDA

Adoption of Permanent Regulations of the Department of Business & Industry Housing Division

**September 30, 2020
9:00 a.m.**

- **Items on this agenda may be taken out of order**
- **Two or more items may be combined for consideration**
- **Items may be removed from the agenda or delayed at any time**
- **Public comment will be allowed at the beginning and at the end of the meeting. Because of time considerations, the period for public comment by each speaker may be limited to three (3) minutes**
- **Public comment will not be restricted based on viewpoint**
- **Meetings are audio-recorded as part of the public record. Speakers are requested to identify themselves before speaking.**

Action may only be taken on those items denoted “For Possible Action”

1. Call to Order (*For possible action*)

2. Public comments and discussion. (Discussion)

No action may be taken on a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda as an item upon which action will be taken.

3. Review of the Proposed Regulation – LCB File No. R146-018 (Discussion)

The purpose of this regulation is to increase certain fees that the Division charges for various services it provides in relation to the regulation of manufactured housing. Some fees in this regulation have not been raised since 1982 and without this increase in the fees, the Division will consistently run into budgetary issues with regulating the manufactured housing industry.

4. Adoption of Proposed Regulation - LCB File No. R146-018 (*For Possible Action*).

5. Public comments and discussion. (Discussion)

No action may be taken on a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda as an item upon which action will be taken.

6. Adjournment. (*For possible action*)

Members of the public who are disabled and require special accommodations or assistance at the hearing should notify the Deputy Administrator, Tim Whitright, in writing by mail addressed to Department of Business and Industry, Housing Division, 3300 W. Sahara Avenue, 3rd Floor, Ste. 300, Las Vegas, NV 89102, **or** by e-mail addressed to Tim Whitright at twhitright@housing.nv.gov, no later than 3 business days prior to the hearing.

**PROPOSED REGULATION OF
THE HOUSING DIVISION OF THE
DEPARTMENT OF BUSINESS AND INDUSTRY**

LCB File No. R146-18

October 15, 2019

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

AUTHORITY: §1, NRS 461.170 and 461.180; §2, NRS 489.231 and 489.481; §3, NRS 489.231 and 489.251.

A REGULATION relating to housing; increasing certain fees charged by the Housing Division of the Department of Business and Industry for issuing licenses, certificates, labels and permits and for providing other services; increasing the price charged by the Division for a paper copy of certain installation standards; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Under existing law and regulations, the Housing Division of the Department of Business and Industry has established fees to cover the costs it incurs in the course of its regulatory activities concerning factory-built housing, other manufactured buildings and modular components. (NRS 461.180; NAC 461.210) **Section 1** of this regulation revises certain of those fees.

Under existing law and regulations, the Division has established fees for the various certificates, labels, permits and licenses issued by the Division and for the other services provided by the Division in the course of its regulatory activities concerning manufactured homes, mobile homes, mobile home parks, commercial coaches, travel trailers and factory-built housing. (NRS 489.481; NAC 489.380) **Section 2** of this regulation revises certain of those fees.

Existing law requires the Administrator of the Housing Division to adopt regulations pertaining to: (1) safety standards for the installation, support and tie down of manufactured homes, mobile homes or commercial coaches; and (2) the inspection of plumbing, heating, cooling, fuel burning and electrical systems connections to such manufactured homes, mobile homes or commercial coaches at the time of installation. (NRS 489.251) Existing regulations adopt by reference a publication that satisfies the statutory requirements. The publication may be downloaded without charge or purchased from the Division. (NAC 489.416) **Section 3** of this regulation revises the price to purchase a copy of the publication from the Division.

Section 1. NAC 461.210 is hereby amended to read as follows:

461.210 1. The Division will charge and collect fees for its services as follows:

For inspecting a plant.....	\$750
For performing any other kind of inspection or service.....	[\$75, or \$37.50] <i>\$100, or \$50</i> per half hour or fraction thereof, whichever amount is greater.
For reviewing the plans for a model of factory-built housing, a manufactured building or a modular component	\$100, or \$50 per half hour or fraction thereof, whichever amount is greater.
For considering a system of construction for approval	\$500
For issuing each insigne of approval for each module	[\$50] <i>\$60</i>
For replacing an insigne.....	[\$50] <i>\$60</i>
For recording a change in the name of a manufacturer or owner.....	\$50

2. In addition to the listed fee for performing an inspection, the Division will charge for each inspection the inspector's:

- (a) Actual expenses for travel;
- (b) Salary; and
- (c) Allowance for per diem.

3. The Division will not refund any fee it has collected unless:

- (a) The Division has not incurred the expense for which the fee is charged; or
- (b) A written request for a refund which is justifiable is submitted to the Division within 1

year after payment of the fee.

4. For the sale of copies of documents, the Division will charge and collect:

For each page of a copy	\$0.25
For each copy of a regulation.....	\$5.00

Sec. 2. NAC 489.380 is hereby amended to read as follows:

489.380 1. The Division will charge the following fees:

- (a) For each certificate and label of compliance ~~50.00~~ **60.00**
- (b) For each certificate and label of installation..... ~~50.00~~ **60.00**
- (c) For each permit for installation, reconstruction, repair or addition..... ~~10.00~~ **20.00**
- (d) For each original or duplicate certificate of ownership..... ~~40.00~~ **60.00**
- (e) For each notice of conversion of real property..... ~~40.00~~ **60.00**
- (f) For a replacement of a:
 - (1) Label of compliance ~~50.00~~ **60.00**

- (2) Label of installation~~50.00~~ 60.00
- (3) License.....~~50.00~~ 60.00
- (g) For the inspection and approval of a set of plans:
 - For the first hour~~75.00~~ 120.00
 - For each additional half hour or fraction thereof.....~~37.50~~ 60.00
- (h) For the inspection and approval of a modification of an approved plan, per hour or fraction thereof.....~~75.00~~ 120.00
- (i) For the consideration of a system of construction for approval500.00
- (j) For the inspection at the site and approval of the installation of:
 - (1) A commercial coach with a plumbing system, a manufactured home or a mobile home if the inspection is conducted within 25 miles of the inspector’s station of duty.....~~100.00~~ 120.00
 - (2) A commercial coach without a plumbing system if the inspection is conducted within 25 miles of the inspector’s station of duty.....~~80.00~~ 100.00
- (k) For the reinspection and approval of the installation of a manufactured home, mobile home or commercial coach, in addition to the original fee for inspection.....~~80.00~~ 100.00
- (l) For the final inspection or reinspection at the site of a manufactured home, mobile home, mobile home park, commercial coach or travel trailer, or of the installation of a device which burns solid fuel or for any other inspection or service for which a fee is not prescribed:

- For the first hour ~~{80.00}~~ 100.00
- For each additional half hour or fraction thereof..... ~~{40.00}~~ 50.00
- (m) For an inspection of a plant used to manufacture manufactured
homes ~~{}~~ or commercial coaches ~~{or travel trailers}~~.....750.00
- (n) For each search conducted to determine title ~~{15.00}~~ 20.00
- (o) For the sale of printed material:
- For each page of a copy0.25
- For each study guide for an examination.....15.00
- For each copy of a regulation5.00
- (p) For filing a lien or an amended lien asserted upon a manufactured
home, mobile home or commercial coach..... ~~{40.00}~~ 60.00
- (q) For collecting a fee after a check given for payment is dishonored.....35.00
- (r) For the inspection and approval of a set of plans for an attachment
pursuant to NAC 489.470:
- For the first hour ~~{75.00}~~ 120.00
- For each additional half hour or fraction thereof..... ~~{37.50}~~ 60.00
- (s) For filing an affidavit of the sale of a manufactured home, mobile
home or commercial coach to satisfy a lien ~~{40.00}~~ 60.00
- (t) For recording the sale of a manufactured home, mobile home or
commercial coach without the immediate transfer of the
certificate of title or certificate of ownership ~~{40.00}~~ 60.00
- (u) For filing a notice or an amended notice of sale by auction of a
manufactured home, mobile home or commercial coach..... ~~{40.00}~~ 60.00

- (v) For a copy of the monthly report prepared by the Division on the record of sales of a dealer ~~75.00~~ 100.00
- (w) For a list of the certificates of ownership issued by the Division for a period of:
 - Less than 2 years..... ~~75.00~~ 100.00
 - Two years but not more than 5 years..... ~~150.00~~ 200.00
 - More than 5 years ~~375.00~~ 400.00
- (x) For a list of all mobile home parks or for a rent history of all mobile home parks ~~75.00~~ 100.00

2. For each inspection or reinspection conducted more than 25 miles from the inspector’s station of duty, the Division will charge, in addition to the fee listed, the inspector’s actual expenses for time and travel.

3. The Division will collect a fee for the sale of reports not listed in subsection 1 based upon the cost to the Division to produce those reports, plus a minimum fee for handling of \$40 for the first report.

4. The Division will collect a fee for inspection, pursuant to a schedule established by the Secretary of Housing and Urban Development, from each manufacturer of manufactured homes who has a plant located in this State. The Division will pay the fee to the Secretary of Housing and Urban Development.

5. As used in this section, “rent history” means the economic and demographic data collected by the Administrator pursuant to NRS 118B.025.

Sec. 3. NAC 489.416 is hereby amended to read as follows:

489.416 1. The Administrator hereby adopts by reference the *Nevada Manufactured Home, Mobile Home and Commercial Coach Installation Standards* in the edition most recently published by the Nevada Housing Alliance and the Modular Building Institute of Nevada, unless the Administrator determines pursuant to subsection 3 that the most recent edition is not suitable for this State.

2. A copy of these standards may be downloaded, free of charge, from the Division at the Internet address <http://mhd.nv.gov>, or may be obtained from the Division at 3300 West Sahara Avenue, Suite 320, Las Vegas, Nevada 89102, or 1830 East College Parkway, Suite 120, Carson City, Nevada 89706, for the price of ~~+\$15.1~~ \$20.

3. The Administrator will review each successive edition of the standards to determine its suitability for this State. If the Administrator provisionally determines that the most recent edition is not suitable, the Administrator will hold a public hearing to review this determination. If, after the hearing, the Administrator finally determines that the most recent edition is not suitable for this State, he or she will, within 30 days after that determination, give notice that the edition is not adopted by reference.



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DEPARTMENT OF BUSINESS & INDUSTRY
HOUSING DIVISION
1830 College Parkway Ste. 200
Carson City, Nevada 89706

TERRY J. REYNOLDS
Director

STEVE AICHROTH
Administrator

Small Business Impact Statement

The Nevada Housing Division (“Division”) has proposed changes to the Nevada Administrative Code (“NAC”) Chapters 489 and 461, regarding fees charged for certain Division services and licenses.

The Division made a concerted effort to determine whether the regulation is likely to “impose a direct and significant economic burden upon a small business” or “directly restrict the formation, operation or expansion of a small business.” NRS 233B.0608(1). The Division concluded the regulation could cause these negative impacts or effects, after consultation with the licensing community and other potentially affected parties and internal staff.

This Small Business Impact Statement is made pursuant to NRS 233B.0609:

1. A description of the way comment was solicited from affected small businesses, a summary of their response and an explanation of the manner in which other interested persons may obtain a copy of the summary.

The Nevada Housing Division mailed 1042 questionnaires to a list of 577 licensees, 413 Park Owners and 52 other interested parties. Of those we received a total of 180 responses. Answers to questions and comments were then logged.

The public response to the mailed survey was, in summary:

- Increases in fees will result in increased rents to park tenants and less expansion of affordable housing for low-income individuals that make-up many of these parks.
- The higher fees will have a negative impact for tenants in parks resulting in making it harder to make ends meet as these expenses will be passed on to homeowners and tenants.
- Business owners will pass these fees on to homeowners and park owners forcing them to use unlicensed repair services or doing repairs themselves causing safety concerns.
- There are too many unlicensed people doing our work now at lower cost. Licensed contractors are the only one pulling permits.
- This increase will cause more people not to get permits and do their own work leading to substandard work. Some owners cannot afford to have companies replace a water heaters or pipes now. Raising rates will not help them and more owners will do the job themselves without permits. Companies believe they will not get the work therefore the Division will not get the revenue. Businesses will reevaluate their need to obtain a Manufactured Housing License moving forward.
- Manufactured housing is already over-regulated, and this will result in more illegal work being done.
- Raising fees does not result in better service and new systems are not working.

A subsequent public informational meeting was solicited by public notice and email to allow those affected to make public comment regarding the purposed changes. There was a total of 8 in attendance between Las Vegas and Carson City for the public informational meeting with no opposition to the purposed legislation.

Public comment was solicited by mailed survey, public notice, and informational meeting. The Division submitted the proposed changes to the licensing community and other potentially affected parties, and professional associations to survey their thoughts regarding the proposed revisions. The Division received

comments and consulted with the parties regarding their comments. The Division also noticed and conducted a public workshop.

Interested persons may review a copy of the summary of the public response by contacting Deputy Administrator, Tim Whitright, in writing by mail addressed to Department of Business and Industry, Housing Division, 3300 W. Sahara Avenue, 3rd Floor, Ste. 300, Las Vegas, NV 89102, **or** by e-mail addressed to Tim Whitright at twhitright@housing.nv.gov.

2. The way the analysis was conducted.

The analysis was conducted by reviewing and discussing the comments of various stakeholders affected by the proposed changes with staff during a public workshop, Division staff, and the Division's attorney.

3. The estimated economic effect of the proposed regulation on the small businesses which it is to regulate, including, without limitation:

(1) Both adverse and beneficial effects; and

Adverse effects: Costs will be passed on by businesses in most cases to the end user, this would be the homeowner or park owner. Many of these homeowners are on limited or fixed incomes, this could result in homeowners doing the work themselves or hiring unlicensed companies and obtaining substandard repairs. Businesses that responded estimated up to \$1000/yr. in increased expenses but noted that these expenses would be passed on to the homeowner or tenant.

Beneficial effects: Ability for Manufactured Housing to operate in a positive financial manner as the division receives no state general fund dollars. Continue to make improvements with the additional limited resources to systems and processes. Estimated that these fees would generate \$55,000 per year in additional revenue.

(2) Both direct and indirect effects.

Direct effects: Homeowners may put off potentially vital maintenance and repairs on homes, this could result in issues where the home may not be deemed safe, sound or sanitary. Licensees may see a reduction in business, resulting in fewer permit requests.

Indirect effects: Homeowners would not get permits to have worked completed but may resort to potential workarounds. For instance, attempting to do the work themselves, or hiring an unlicensed business to complete maintenance or repairs.

4. A description of the methods that the agency considered to reduce the impact of the proposed regulation on small businesses and a statement regarding whether the agency used any of those methods.

The Nevada Housing Division Administrator met with representatives from the industry, specifically the Manufactured Home Community Owners Association and discussed at length the need for the increase to the fee schedule and the impact this would have on small business. It should be noted that the fees being considered for increase from the Manufactured Housing have not been raised since 2003.

5. The estimated cost to the agency for enforcement of the proposed regulation.

No cost is expected due to the implementation of the licensing fees.

6. If the proposed regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the way the money will be used.

The Division is increasing the fees charged for services and licenses for manufactured housing, estimating these fees would generate \$55,000 per year in additional revenue, and provide for improvements to current systems and processes.

7. If the proposed regulation includes provisions which duplicate or are more stringent than federal, state or local standards regulating the same activity, an explanation of why such duplicative or more stringent provisions are necessary.

The regulation does not include any duplicate or more stringent standards.

8. The reasons for the conclusions of the agency regarding the impact of a regulation on small businesses.

The reasons for the conclusions of the agency regarding the impact of a regulation on small businesses are the result of communications with those most likely to be affected by the changes as well as others which have expertise in the matter. The Division's Administrator has communicated and researched this matter with affected stakeholders, with the Division's attorney, and with staff.

As the Administrator who is responsible for the Division, I certify that, to the best of my knowledge or belief, the information contained in the statement was prepared properly and is accurate.

Sincerely,
Nevada Housing Division

Steve Aichroth
Administrator