



DEPARTMENT OF BUSINESS AND INDUSTRY
MANUFACTURED HOUSING DIVISION

1830 E. College Pkwy, Suite 120
 Carson City, Nevada 89706
 (775) 684-2940 • Fax: (775) 684-2949
mhd.nv.gov

MINUTES of Hearing for R112-13, Hearing for R113-13 and Workshop for R119-14

The Manufactured Housing Division of the Department of Business and Industry of the State of Nevada held the above mentioned public hearings and workshop
 At 8:30 am, **September 23, 2014**
 at 1818 East College Parkway, Suite 103 Carson City, Nevada
 and via videoconference from the
 Bradley Building, 2nd Floor Conference Room 2501 E. Sahara, Las Vegas, Nevada

MHD Staff attending in Carson City:

Jim deProsse, Administrator
 Diane O'Connor, Program Officer
 Karen Fox, Licensing Officer
 Jim Lynn, Compliance Investigator
 Adrienne Sawyer, Education Officer

Public in Attendance in Carson City

Jamie Duenas, J Duenas MH Set up
 David Kauffman, Sun Communities
 Marolyn Mann, MHCO
 William Anthony, Trinity Homes Inc
 Chelsea Capurrs, Griffin Rowe
 John Griffin, Griffin Rowe

MHD Staff attending in Las Vegas:

Chris Flannery, Supervising Inspector
 Saira Castillo, Administrative Assistant

Public in Attendance in Las Vegas

Suzie Gurrola, C G Enterprises
 Suzie Gurrola, C G Enterprises
 Tim Holmes, GDS
 Jeanne Parrett, Eldorado Estates
 Gerald Schulte, Factory Home Center

Hearing for LCB File No. R112-13

Jim DeProsse - Opened the hearing at 8:30am on Tuesday, September 23, 2014. He introduced the MHD staff in Las Vegas and Carson City and then explained that he would walk through each section of the proposed regulation and will then hear public comments and questions.

Section	Page	NAC	Summary
1.	1-2	NAC 118B.120	<i>New</i> - Defining a dismantled manufactured home.
2.	2	NAC 118B.140	<i>Omitted</i> - This will eliminate the strict list of requirements for an instructor to be approved and give the Administrator the sole authority to approve an instructor for an MHD approved continuing class.
3.	2	NAC 118B.200	<i>Omitted</i> -An instructor or course to be renewed annually. <i>New</i> -When requested by the Division, an instructor or course can be renewed by submitting requested documentation.
4.	3	NAC 489	<i>Amended</i> -By adding sections 5 & 6
5.	3-4	NAC 489.303	<i>New</i> - When the Division requests in writing, a licensed Dealer must submit copies of documents to confirm that the Dealer is in compliance related to their separate trust account for each sales transaction. If the Division requests such documentation, the Dealer may send them in print or electronic form.



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Section	Page	NAC	Summary
6.	4	NAC 489.811	New - For the purpose of NRS 489.811, the Division will interpret the term “principal place of business” <u>not</u> is a post office box.
7.	4-5	NAC 489.203	New - To clarify that a factory-built home is considered real property only when it has been affixed to land, a certificate of occupancy has been issued, and a final inspection has been performed and any other action which allow the home to be occupied. This section is also defining “enforcement agency” as stated in NAC 489.500, which states, “the county or city building department or the Division”. Inserting the word “Real” to property notice, confirms that the document must be verified by the county assessor’s office.
8.	5	NAC 489.305	New - Clarifies that all branch offices must be “in this State”, since the Division only has jurisdiction over licensed companies in the manufactured housing industry for the State of Nevada. New - Adding “distributor” Omitted - This eliminates the Division to mandate a branch office to be managed by a corporate officer, partner or responsible managing employee.
9.	6	NAC 489.320	New - Adding “distributor”
10.	7	NAC 489.325	New - Adding “distributor”
11.	7	NAC 489.331	New - Adding “distributor”
12.	8	NAC 489.307	Repeal - NAC 489.307. The Division has determined that it is not necessary to mandate that a MHD licensed company main office be managed or supervised by a corporate officer, partner or responsible managing employee.

Mr. DeProse - Asked if there were questions or public comments. There were no public comments from Las Vegas or Carson City. The hearing for LCB File R112-113 was adjourned.

Hearing for LCB File No. R113-13

Jim DeProse - Explained that we will follow the same format as the previous regulation. He asked if there were any public comments regarding LCB File No. R113-13 before he reviewed the sections. No public comments were made.

Section	Page	NAC	DESCRIPTION
1.	1-4	NAC 461.205	Amend - Adopt Current International Building Codes
2.	4-7	NAC 461A.350	Amend - Adopt Current International Building Codes
3.	7-10	NAC 489.177	Amend - Adopt Current International Building Codes
4.	10-11	NAC 489.205	Amend – Change “will” to “may” for the Division to conduct routine office surveys, audits...
5.	11-12	NAC 489.303	Omitted - Remove CE requirement for license renewals, since this is already mandated in NRS 489.323 New – Included dealer, distributor, RME or salesperson may submit a request an extended time to complete CE.



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Section	Page	NAC	DESCRIPTION
6.	12-15	NAC 489.310	<i>New – Adding distributor</i> <i>Omitted – The requirement of an applicant has income to operate for not less than 120 days.</i> <i>Amend – Change “will to “may” to determine financial responsibility</i> <i>Omitted – The requirement of an applicant for a new dealer license to submit a letter of credit.</i> <i>New – Adding distributor and manufacturer</i>
7.	15	NAC 489.347	<i>New - Added distributor</i> <i>Amend – Removed the renewal requirement of submitting bank statements for all license categories except, Dealer.</i> <i>New - Clarification for submitting escrow acct transactions when renewing a Dealer license</i>
8.	16	NAC 489.360	<i>New - Added fees for issuance and renewal of a distributor</i>
9.	17	NAC 489.370	<i>New - Added fees for processing an original application for a distributor</i>
10.	18	REPEAL NAC 461.123 NAC 489.3105 NAC 489.590	<i>Repeal - Labeling of plumbing fixtures</i> <i>Repeal -Maintenance of cash required at the time of initial license</i> <i>Repeal -Purchase contract and listing agreement forms prescribed by the administrator.</i>

Mr. DeProse - Asked if there were questions or public comments. There were no public comments from Las Vegas or Carson City. The hearing for LCB File R113-113 was adjourned.

Workshop for LCB File No. R119-14

Mr. deProse opened the workshop for R119-14, by asking each location if they had any public comments. There were none. Karen Fox, Licensing Officer reviewed the 9 sections of this regulation.

Section	Page	NAC	DESCRIPTION
1.	2	NAC 489.305	<ul style="list-style-type: none"> Removes “manufacturer” from branch office. A Mfr must apply for a separate license for each plant. They would not have a branch office Remove “Except as provided in this subsection” Remove section 4 to remove the requirement of a branch office to be supervised by a CO or partner.
2.	6	NAC 489.310	<ul style="list-style-type: none"> All applicants must provide a copy of the policy of liability insurance Add “distributor and manufacturer” to provide a copy partnership agreement, articles of organization or articles of incorporation when submitting an initial application.
3.	7	NAC 489.3105	<ul style="list-style-type: none"> All licensees must maintain a policy of liability insurance.

Jeanne Parrett, Eldorado Home Sales – Is the insurance company required to send a cancellation notice or any change to the policy to the Division.

Karen Fox - No, the insurance company is not required to send us anything. However, the licensee is required to submit a current copy of their Certificate of General Liability Policy to the Division at the time they are initially applying for a license and every two years when they renew their license. Most Certificates of General Liability



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Policy are on an “Accord” form.

Jeanne Parrett, Eldorado Home Sales - Asked again if we should include language that requires the policy issuer to send the Division notices or updates.

Jim deProsse – Reiterated that the insurance companies will not be required to send us anything. The Division’s position is it is the licensee’s responsibility to send us a copy at the time of their renewal to insure their continued coverage.

William Anthony, Trinity Homes Inc - Where did this come from? Was there a law passed that we don’t know about? Did something break that needed to be fixed? In 34.5 years we never had this before.

Jim DeProsse – Currently the statute gives us authority to ask for anything we think is suitable for licensure. For the past 4 or 5 years we’ve asked for liability insurance. The AG office has said we have the authority to ask for it, but for clarity the AG’s office has recommended that we create a regulation to require it for the initial application and renewals. We have had an issue when we were conducting an investigation and the licensee’s policy had lapsed.

William Anthony, Trinity Homes Inc – Wouldn’t this be covered in the recovery fund?

Jim DeProsse – The recovery fund applies to purchasers. Perhaps we should review the discovery fund at a separate time, since all licensees pay into the fund, but not all situations are covered by the fund.

William Anthony, Trinity Homes Inc – So recourse for a person to sue them, would not be adequate?

Karen Fox – When LCB reviewed the language for this section of the regulation, their recommendation was that this was definitely something that needed to be added to the regulations. Don’t forget that the intent for this coverage is to protect you, the licensee, as well as the constituent.

Jeanne Parrett, Eldorado Home Sales – Isn’t Section 3. 1.(a) and (b) the same as the sections in the previous proposed regulations we had the hearing on?

Jim DeProsse – It gets a bit confusing because when a section of a proposed regulation is being amended, but not yet adopted, we have to include those sections until they have gone through the complete adoption process with LCB.

Jeanne Parrett, Eldorado Home Sales – So if R113-13 is adopted then these sections will be removed?

Jim DeProsse – That is correct.

Karen Fox – Continued to review each section of the proposed regulation.

Section	Page	NAC	DESCRIPTION
4.	7	NAC 489.347	<ul style="list-style-type: none"> • Adding “distributor’s and manufacturer’s” for renewal requirements • Removing the requirement of copies of 6 months of bank statements for renewal applications • Adding the requirement of a copy of policy of liability insurance for renewal applications.



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5.	7	NAC 489.760	• Correction – Adding the “lien” to resale license
6.	8	NAC 489.775	• Correction – Adding the “lien” to resale license
7.	9	NAC 489.780	• Remove requirement to submit a copy of the lien satisfaction form since the Division has already received when the title status has been changed to “Park Owned-Lien Sale”
8.	10	NAC 489.785	• Correction – Adding the “lien” to resale license
9.	10	NAC 489.342	• Remove the requirement for a serviceperson to carry an ID card

Jamie Duenas, J Duenas MH Set Up – It might not work if someone gets a hold of my license and they do not have my permission.

Jim DeProsse – As a MHD licensed serviceperson, do customers ask for your credentials or ID? We spend a lot of time creating the ID cards, so if it doesn’t add a lot of value, we feel we should remove this requirement. We encourage any discussion or comments.

Jeanne Parrett, Eldorado Home Sales – As a park manager, I recommend to all of my residents to get the contractor’s license number. Most of the contractors in our area have the MHD license number on their vehicle or paperwork for an estimate. They can also call the Division to see if they are licensed. I do not really see a lot of value to spend the time or money to create the ID cards.

Karen Fox – Jeanne, I wanted to clarify, so folks do not get confused, that the term “contractors” is usually used for those who are licensed with the Contractors Board to work on stick homes and “servicepersons” term is what we use for those who are license with us and are authorized to work on manufactured structures.

Suzie Gurrola, C G Enterprises – What if a different person decides to us our company name?

Diane O’Connor – How your employees identified by a customer now?

Suzie Gurrola, C G Enterprises – I usually go to the park and give the customer a copy of our license and the contract. What can we do if someone uses our company name or license number?

Jim DeProsse – Even if we continue with a photo ID, that issue cannot be avoided. As Mrs. Parrett pointed out, anyone can call the Division to determine if someone is licensed.

Gerald Schulte, Factory Home Center – I’ve had a license since 1978 and I have never had anyone ask for my ID card. All my guys would have business cards and our license number would be on the vehicle. I do not see any purpose of an ID card. I don’t think we have a problem anyone impersonating a licensed serviceperson.

Karen Fox – I think our staff at the front counter in each office do a great job at confirming the person purchasing the permit, does indeed work for the company they are purchasing the permit for.

Gerald Schulte, Factory Home Center – I think the parks are doing a good job also, ensuring that the work being done in the parks are licensed.

Jamie Duenas, J Duenas MH Set up – I have a photo of someone who is using my business name. (Mr. Duenas held up the photo.) He has been going to my customers and requesting cash after he’s done the work and telling



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them that he is doing work for my company. This is false. I have taken legal action and he is being investigated. I just want to warn others that if you see him (held up photo again) to be aware that he is not licensed or affiliated with my company J Duenas MH Set up, what so ever.

Jim deProsse – Does anyone have any other comments regarding ID cards? There are none. Are there any other public comments?

Gerald Schulte, Factory Home Center – I'm seeing a lot of petty things trying to be initiated with inspections. They want us to put pressure treated 2 x 4's under the water line that is already protected by the skirting. I have asked to see the code and no one has gotten back to me. This is just one instance of several inspection notices that keep coming up that are imposing additional costs to our set-ups. Our inspectors are good, but I think they lack practical experience. I'd rather go to them first instead of going to you, Jim. I think they should tone it down a bit.

Jim deProsse – I would encourage you to meet Chris Flannery, who is sitting to your left. Maybe Chris can come out to visit you in Pahrump and have a cup of coffee and discuss some of these things.

Gerald Schulte, Factory Home Center – I just see them coming in and making drastic changes all of a sudden.

Jim deProsse – Again, I encourage you to meet with Chris. Chris has been very instrumental in improving our inspection process. Thank you for your comments. Are there any other public comments in Las Vegas? There are none. Are there any public comments in Carson City?

William Anthony, Trinity Homes Inc – I would like to recommend that the Division offer classes with Continuing Education credit, for licensees to discuss and learn about the current requirements for installations as well as titling. There have been additional steps and requirements for titling since the old days, so I think it would be helpful for dealers to get educated on all the details of submitting titling documents. This will help your staff at the same time.

Jim deProsse – Are there any other comments? There are none. We will adjourn the workshop for R119-14.