

ASSEMBLY BILL NO. 364—ASSEMBLYMAN WATTS

MARCH 20, 2019

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions governing the transfer, title and sale of manufactured homes. (BDR 43-801)

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

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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 homes; authorizing the issuance of a certificate of ownership for a manufactured home, mobile home or commercial coach under certain circumstances; providing for the automatic transfer of certain manufactured homes, mobile homes and commercial coaches to designated beneficiaries upon the death of the owner; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Under existing law, if a person applying for a certificate of ownership for a
2 manufactured home, mobile home or commercial coach from the Housing Division
3 of the Department of Business and Industry cannot present the certificate of
4 ownership previously issued, the Division may receive the application, examine the
5 circumstances of the case and require the filing of affidavits or other information.
6 The Division may issue a certificate of ownership to the applicant when the
7 Division is satisfied the applicant is entitled to such a certificate. (NRS 489.561)
8 **Section 2** of this bill authorizes a person who is unable to provide information
9 satisfactory to the Division that the person is entitled to a certificate of ownership to
10 obtain a new certificate of ownership by: (1) filing a bond with the Division in an
11 amount equal to the value of the manufactured home, mobile home or commercial
12 coach; and (2) allowing the Division to inspect the manufactured home, mobile
13 home or commercial coach for compliance with certain safety standards. Such a
14 bond must be conditioned to indemnify prior and subsequent owners or lienholders
15 of the manufactured home, mobile home or commercial coach against any expense,
16 loss or damage because of the issuance of the certificate of ownership, or because
17 of any defect in or undisclosed security interest in the applicant’s right or title to the
18 manufactured home, mobile home or commercial coach or the applicant’s interest
19 in the manufactured home, mobile home or commercial coach. The bond must be
20 returned by the Division at the end of 3 years, unless the Division has been notified



21 of the pendency of an action to recover on the bond. **Section 2** also abolishes any
22 right of action against the Division for taking certain actions or failing to act in
23 providing a certificate of ownership pursuant to that section. **Section 5** of this bill
24 makes a conforming change.

25 Existing law provides for nonprobate transfer of certain property from the
26 owner to a named beneficiary, including, without limitation, nonprobate transfers of
27 certain motor vehicles for which the owner has obtained a certificate of title in
28 beneficiary form from the Department of Motor Vehicles. (NRS 482.247) **Section 3**
29 of this bill authorizes the owner or owners of a manufactured home, mobile home
30 or commercial coach to request a certificate of ownership in beneficiary form from
31 the Housing Division of the Department of Business and Industry which directs the
32 Division to transfer the certificate of ownership to a designated beneficiary upon
33 the death of the owner. **Section 3** also provides procedures for obtaining and
34 revoking a certificate of ownership in beneficiary form, and specifies that a transfer
35 of ownership made by a certificate of ownership in beneficiary form is not subject
36 to the statutes governing probate matters. **Section 4** of this bill makes a conforming
37 change. **Section 4** also removes the requirement in existing law that the signatures
38 on a transfer of title to or the interest in a manufactured home, mobile home or
39 commercial coach be notarized. (NRS 489.551)

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

1 **Section 1.** Chapter 489 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2 and 3 of this act.

3 **Sec. 2. 1.** *If an applicant who is seeking a certificate of*
4 *ownership is unable to provide the information required by the*
5 *Division pursuant to NRS 489.561 and satisfy the Division that the*
6 *applicant is entitled to a certificate of ownership pursuant to that*
7 *section, the applicant may obtain a new certificate of ownership*
8 *from the Division by:*

9 (a) *Filing a bond with the Division that meets the requirements*
10 *of subsection 3; and*

11 (b) *Allowing the Department to inspect the manufactured*
12 *home, mobile home or commercial coach for compliance with the*
13 *safety standards and other requirements provided in regulations*
14 *adopted by the Administrator pursuant to NRS 489.251.*

15 2. *Any person damaged by the issuance of a certificate of*
16 *ownership pursuant to this section has a right of action to recover*
17 *on the bond for any breach of its conditions, except the aggregate*
18 *liability of the surety to all persons must not exceed the amount of*
19 *the bond. The Division shall return the bond, and any deposit*
20 *accompanying it, 3 years after the bond was filed with the*
21 *Division, except that the Division shall not return the bond if the*
22 *Division has been notified of the pendency of an action to recover*
23 *on the bond.*



1 3. *The bond required pursuant to subsection 1 must be:*

2 (a) *In a form prescribed by the Division;*

3 (b) *Executed by the applicant as principal and by a*
4 *corporation qualified under the laws of this State as surety;*

5 (c) *In an amount equal to the most recent amount paid for the*
6 *manufactured home, mobile home or commercial coach; and*

7 (d) *Conditioned to indemnify any:*

8 (1) *Prior owner or lienholder of the manufactured home,*
9 *mobile home or commercial coach, and his or her successors in*
10 *interest;*

11 (2) *Subsequent purchaser of the manufactured home,*
12 *mobile home or commercial coach, and his or her successors in*
13 *interest; or*

14 (3) *Person acquiring a security interest in the*
15 *manufactured home, mobile home or commercial coach, and his*
16 *or her successors in interest,*

17 ↳ *against any expense, loss or damage because of the issuance of*
18 *the certificate of ownership or because of any defect in or*
19 *undisclosed security interest in the applicant's right or title to the*
20 *manufactured home, mobile home or commercial coach or the*
21 *applicant's interest in the manufactured home, mobile home or*
22 *commercial coach.*

23 4. *A right of action does not exist in favor of any person by*
24 *reason of any action or failure to act on the part of the Division or*
25 *any officer or employee thereof in carrying out the provisions of*
26 *this section, or in giving or failing to give any information*
27 *concerning the legal ownership of a manufactured home, mobile*
28 *home or commercial coach or the existence of a certificate of*
29 *ownership obtained pursuant to this section.*

30 **Sec. 3.** *1. The owner or joint owners of a manufactured*
31 *home, mobile home or commercial coach may request the*
32 *Department to issue a certificate of ownership in beneficiary form*
33 *for the manufactured home, mobile home or commercial coach, as*
34 *applicable, which includes a directive to the Department to*
35 *transfer the certificate of ownership upon the death of the owner*
36 *or upon the death of all joint owners to a beneficiary named on*
37 *the face of the certificate of ownership.*

38 2. *A request made pursuant to subsection 1 must be submitted*
39 *on an application made available by the Department and*
40 *accompanied by the fee for the issuance of a certificate of*
41 *ownership.*

42 3. *A certificate of ownership in beneficiary form may not be*
43 *issued to a person who holds an interest in a manufactured home,*
44 *mobile home or commercial coach as a tenant in common with*
45 *another person.*



1 4. A certificate of ownership in beneficiary form must include
2 after the name of the owner or after the names of joint owners the
3 words "transfer on death to" or the abbreviation "TOD" followed
4 by the name of the beneficiary.

5 5. During the lifetime of a sole owner or before the death of
6 the last surviving joint owner:

7 (a) The signature or consent of the beneficiary is not required
8 for any transaction relating to a manufactured home, mobile
9 home or commercial coach for which a certificate of ownership in
10 beneficiary form has been issued; and

11 (b) The certificate of ownership in beneficiary form may be
12 revoked or the beneficiary changed at any time by:

13 (1) Sale of the manufactured home, mobile home or
14 commercial coach with proper assignment and delivery of the
15 certificate of ownership to another person; or

16 (2) Filing an application with, and paying a fee to, the
17 Department to reissue the certificate of ownership with no
18 designation of a beneficiary or with the designation of a different
19 beneficiary.

20 6. The interest of the beneficiary in a manufactured home,
21 mobile home or commercial coach on the death of the sole owner
22 or on the death of the last surviving joint owner is subject to any
23 contract of sale, assignment or ownership or security interest to
24 which the owner or owners of the manufactured home, mobile
25 home or commercial coach were subject during their lifetime.

26 7. Except as otherwise provided in paragraph (b) of
27 subsection 5, the designation of a beneficiary in a certificate of
28 ownership in beneficiary form may not be changed or revoked by
29 will, any other instrument or a change in circumstances, or
30 otherwise changed or revoked.

31 8. The Department shall, upon:

32 (a) Proof of death of one of the owners, of two or more joint
33 owners or of a sole owner;

34 (b) Surrender of the outstanding certificate of ownership in
35 beneficiary form; and

36 (c) Application and payment of the fee for a certificate of
37 ownership,

38 ↪ issue a new certificate of ownership for the manufactured
39 home, mobile home or commercial coach to the surviving owner
40 or owners or, if none, to the beneficiary, subject to any security
41 interest.



1 9. For the purposes of complying with the provisions of
2 subsection 8, the Department may rely on a death certificate,
3 record or report that constitutes prima facie evidence of death.

4 10. The transfer on death of a manufactured home, mobile
5 home or commercial coach pursuant to this section is not
6 considered as testamentary and is not subject to administration
7 pursuant to the provisions of title 12 of NRS.

8 11. As used in this section:

9 (a) "Beneficiary" means a person or persons designated to
10 become the owner or owners of a manufactured home, mobile
11 home or commercial coach on the death of the preceding owner or
12 owners.

13 (b) "Certificate of ownership in beneficiary form" means a
14 certificate of ownership of a manufactured home, mobile home or
15 commercial coach that indicates the present owner or owners of
16 the manufactured home, mobile home or commercial coach and
17 designates a beneficiary.

18 **Sec. 4.** NRS 489.551 is hereby amended to read as follows:

19 489.551 ~~[Upon]~~ *Except as otherwise provided in section 3 of*
20 *this act, upon* a transfer of the title to or the interest of an owner in a
21 manufactured home, mobile home or commercial coach for which a
22 certificate of ownership is issued pursuant to the provisions of this
23 chapter, the person whose title or interest is to be transferred and the
24 transferee shall write their signatures with ink upon the certificate of
25 ownership issued for the manufactured home, mobile home or
26 commercial coach, together with the residence address of the
27 transferee, in the appropriate spaces provided upon the reverse side
28 of the certificate. ~~[Each signature written upon a certificate of~~
29 ~~ownership pursuant to the provisions of this section must be~~
30 ~~notarized.]~~

31 **Sec. 5.** NRS 489.561 is hereby amended to read as follows:

32 489.561 Whenever an application is made to the Division for
33 title of a manufactured home, mobile home or commercial coach
34 previously titled and the applicant is unable to present the certificate
35 of ownership previously issued because it is lost or being unlawfully
36 detained by one in possession or is not otherwise available, the
37 Division may receive the application and examine the circumstances
38 of the case and require the filing of affidavits or other information.
39 When the Division is satisfied that the applicant is entitled to a
40 certificate of ownership, *or pursuant to section 2 of this act*, it may
41 issue the certificate on the manufactured home, mobile home or
42 commercial coach.



- 1 **Sec. 6.** This act becomes effective:
2 1. Upon passage and approval for the purpose of adopting any
3 regulations and performing any other preparatory administrative
4 tasks that are necessary to carry out the provisions of this act; and
5 2. On January 1, 2020, for all other purposes.

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