

ASSEMBLY BILL NO. 123—COMMITTEE ON JUDICIARY

(ON BEHALF OF ELKO COUNTY)

FEBRUARY 4, 1999

Referred to Committee on Judiciary

SUMMARY—Exempts certain common-interest communities from certain provisions of Uniform Common-Interest Ownership Act. (BDR 10-676)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.

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

AN ACT relating to common-interest ownership; exempting common-interest communities located within certain counties from certain provisions of the Uniform Common-Interest Ownership Act; and providing other matters properly relating thereto.

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

1 **Section 1.** NRS 116.3108 is hereby amended to read as follows:
2 116.3108 1. A meeting of the units' owners of an association must
3 be held at least once each year. A meeting of the executive board must be
4 held at least once every 90 days. Special meetings of the association may
5 be called by the president, a majority of the executive board or by units'
6 owners having 10 percent, or any lower percentage specified in the bylaws,
7 of the votes in the association.
8 2. ~~[Not]~~ ***Except as otherwise provided in subsection 6, not*** less than
9 10 nor more than 60 days in advance of any meeting, the secretary or other
10 officer specified in the bylaws shall cause notice to be hand-delivered or
11 sent prepaid by United States mail to the mailing address of each unit or to
12 any other mailing address designated in writing by the unit's owner. The
13 notice of any meeting must state the time and place of the meeting and
14 include a copy of the agenda for the meeting. The notice must include
15 notification of the right of a unit's owner to:

1 (a) Have a copy of the minutes or a summary of the minutes of the
2 meeting distributed to him upon request if he pays the association the cost
3 of making the distribution.

4 (b) Speak to the association or executive board, unless the executive
5 board is meeting in executive session.

6 3. The agenda for the meeting must consist of:

7 (a) A clear and complete statement of the topics scheduled to be
8 considered during the meeting, including, without limitation, any proposed
9 amendment to the declaration or bylaws, any fees or assessments to be
10 imposed or increased by the association, any budgetary changes and any
11 proposal to remove an officer or member of the executive board.

12 (b) A list describing the items on which action may be taken and clearly
13 denoting that action may be taken on those items.

14 (c) A period devoted to comments by units' owners and discussion of
15 those comments. Except in emergencies, no action may be taken upon a
16 matter raised under this item of the agenda until the matter itself has been
17 specifically included on an agenda as an item upon which action may be
18 taken pursuant to paragraph (b).

19 4. If the association adopts a policy imposing a fine on a unit's owner
20 for the violation of the bylaws or other rules established by the association,
21 the secretary or other officer specified in the bylaws shall prepare and
22 cause to be hand-delivered or sent prepaid by United States mail to the
23 mailing address of each unit or to any other mailing address designated in
24 writing by the unit's owner, a schedule of the fines that may be imposed
25 for those violations.

26 5. Not more than 30 days after any meeting, the secretary or other
27 officer specified in the bylaws shall cause the minutes or a summary of the
28 minutes of the meeting to be made available to the units' owners. A copy
29 of the minutes or a summary of the minutes must be provided to any unit's
30 owner who pays the association the cost of providing the copy to him.

31 **6. Except as otherwise provided in the declaration or bylaws, if a**
32 **common-interest community is located within a county whose population**
33 **is 100,000 or less, the notice described in subsection 2 is not required to**
34 **be provided.**

35 **Sec. 2.** NRS 116.311 is hereby amended to read as follows:

36 116.311 1. If only one of several owners of a unit is present at a
37 meeting of the association, that owner is entitled to cast all the votes
38 allocated to that unit. If more than one of the owners are present, the votes
39 allocated to that unit may be cast only in accordance with the agreement of
40 a majority in interest of the owners, unless the declaration expressly
41 provides otherwise. There is majority agreement if any one of the owners
42 cast the votes allocated to that unit without protest made promptly to the
43 person presiding over the meeting by any of the other owners of the unit.

2. Votes allocated to a unit may be cast pursuant to a proxy executed by a unit's owner. If a unit is owned by more than one person, each owner of the unit may vote or register protest to the casting of votes by the other owners of the unit through an executed proxy. A unit's owner may revoke a proxy given pursuant to this section only by actual notice of revocation to the person presiding over a meeting of the association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates ~~one~~ 1 year after its date, unless it specifies a shorter term.

3. If the declaration requires that votes on specified matters affecting the common-interest community be cast by lessees rather than units' owners of leased units:

(a) The provisions of subsections 1 and 2 apply to lessees as if they were units' owners;

(b) Units' owners who have leased their units to other persons may not cast votes on those specified matters; and

(c) Lessees are entitled to notice of meetings, access to records, and other rights respecting those matters as if they were units' owners.

~~[Units']~~ *Except as otherwise provided in subsection 5, units'* owners must also be given notice, in the manner provided in NRS 116.3108, of all meetings at which lessees are entitled to vote.

4. No votes allocated to a unit owned by the association may be cast.

5. Except as otherwise provided in the declaration or bylaws, if a common-interest community is located within a county whose population is 100,000 or less, the notice described in subsection 3 is not required to be given.

Sec. 3. NRS 116.31155 is hereby amended to read as follows:

116.31155 1. ~~[An]~~ *Except as otherwise provided in subsection 2, an* association that is not a master association and levies an annual assessment against each unit in the common-interest community of \$500 or more shall:

(a) If the association is required to pay the fee imposed by NRS 78.150 or 82.193, pay to the secretary of state at the time it is required to pay the fee imposed by those sections a fee established by regulation of the administrator of the real estate division of the department of business and industry for every unit in the association.

(b) If the association is organized as a trust or partnership, pay to the administrator of the real estate division of the department of business and industry a fee established by regulation of the administrator for each unit in the association. The fee must be paid on or before January 1 of each year.

2. The fees required to be paid pursuant to this section must be:

(a) Deposited with the state treasurer for credit to the fund for the ombudsman for owners in common-interest communities created pursuant

to

NRS

116.1117.

1 (b) Established on the basis of the actual cost of administering the office
2 of the ombudsman for owners in common-interest communities and not on
3 a basis which includes any subsidy for the office.

4 ***3. Except as otherwise provided in the declaration or bylaws, an***
5 ***association of a common-interest community located within a county***
6 ***whose population is 100,000 or less is not required to pay the fees***
7 ***described in subsection 1.***

8 **Sec. 4.** This act becomes effective on July 1, 1999.

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