

ASSEMBLY BILL NO. 38—ASSEMBLYMAN GUSTAVSON

PREFILED JANUARY 25, 2001

Referred to Committee on Judiciary

SUMMARY—Authorizes notice of meetings of units' owners and executive boards of associations of common-interest communities to be sent by electronic mail upon request. (BDR 10-279)

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

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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 common-interest communities; authorizing the notice of meetings of units' owners and executive boards of associations of common-interest communities to be sent by electronic mail upon request; and providing other matters properly relating thereto.

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

Section 1. NRS 116.3108 is hereby amended to read as follows:

116.3108 1. A meeting of the units' owners of an association must be held at least once each year. If the governing documents of a common-interest community do not designate an annual meeting date of the units' owners, a meeting of the units' owners must be held 1 year after the date of the last meeting of the units' owners. If the units' owners have not held a meeting for 1 year, a meeting of the units' owners must be held on the following March 1. Special meetings of the units' owners of an association may be called by the president, a majority of the executive board or by units' owners having 10 percent, or any lower percentage specified in the bylaws, of the votes in the association.

2. Not less than 10 nor more than 60 days in advance of any meeting of the units' owners of an association, the secretary or other officer specified in the bylaws shall cause notice of the meeting to be hand-delivered, ~~or~~ sent prepaid by United States mail to the mailing address of each unit or to any other mailing address designated in writing by the unit's owner ~~or~~, *at the request of the unit's owner, sent by electronic mail to an electronic mail address designated in writing by the unit's owner.* The notice of the meeting must state the time and place of the meeting and

1 include a copy of the agenda for the meeting. The notice must include
2 notification of the right of a unit's owner to:

3 (a) Have a copy of the minutes or a summary of the minutes of the
4 meeting distributed to him upon request and, if required by the executive
5 board, upon payment to the association of the cost of making the
6 distribution.

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

9 3. The agenda for a meeting of the units' owners must consist of:

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

15 (b) A list describing the items on which action may be taken and clearly
16 denoting that action may be taken on those items. In an emergency, the
17 units' owners may take action on an item which is not listed on the agenda
18 as an item on which action may be taken.

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

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

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

37 6. As used in this section, "emergency" means any occurrence or
38 combination of occurrences that:

39 (a) Could not have been reasonably foreseen;

40 (b) Affects the health, welfare and safety of the units' owners of the
41 association;

42 (c) Requires the immediate attention of, and possible action by, the
43 executive board; and

44 (d) Makes it impracticable to comply with the provisions of subsection
45 2 or 3.

46 **Sec. 2.** NRS 116.31083 is hereby amended to read as follows:

47 116.31083 1. A meeting of the executive board of an association
48 must be held at least once every 90 days.

2. Except in an emergency or unless the bylaws of an association require a longer period of notice, the secretary or other officer specified in the bylaws of the association shall, not less than 10 days before the date of a meeting of the executive board, cause notice of the meeting to be given to the units' owners. Such notice must be:

(a) Sent prepaid by United States mail to the mailing address of each unit within the common-interest community or to any other mailing address designated in writing by the unit's owner;

(b) At the request of a unit's owner, sent by electronic mail to an electronic mail address designated in writing by the unit's owner; or

~~(b)~~ (c) Published in a newsletter or other similar publication that is circulated to each unit's owner.

3. In an emergency, the secretary or other officer specified in the bylaws of the association shall, if practicable, cause notice of the meeting to be sent prepaid by United States mail to the mailing address of each unit within the common-interest community. If delivery of the notice in this manner is impracticable, the notice must be hand-delivered to each unit within the common-interest community or posted in a prominent place or places within the common elements of the association.

4. The notice of a meeting of the executive board of an association must state the time and place of the meeting and include a copy of the agenda for the meeting or the date on which and the locations where copies of the agenda may be conveniently obtained by the units' owners of the association. The notice must include notification of the right of a unit's owner to:

(a) Have a copy of the minutes or a summary of the minutes of the meeting distributed to him upon request and, if required by the executive board, upon payment to the association of the cost of making the distribution.

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

5. The agenda of the meeting of the executive board of an association must comply with the provisions of subsection 3 of NRS 116.3108. The period required to be devoted to comments by units' owners and discussion of those comments must be scheduled for the beginning of each meeting. In an emergency, the executive board may take action on an item which is not listed on the agenda as an item on which action may be taken.

6. At least once every 90 days, unless the declaration or bylaws of the association impose more stringent standards, the executive board shall review at one of its meetings:

(a) A current reconciliation of the operating account of the association;

(b) A current reconciliation of the reserve account of the association;

(c) The actual revenues and expenses for the reserve account, compared to the budget for that account for the current year;

(d) The latest account statements prepared by the financial institutions in which the accounts of the association are maintained;

(e) An income and expense statement, prepared on at least a quarterly basis, for the operating and reserve accounts of the association; and

1 (f) The current status of any civil action or claim submitted to
2 arbitration or mediation in which the association is a party.

3 7. The minutes of a meeting of the executive board of an association
4 must be made available to the units' owners in accordance with the
5 provisions of subsection 5 of NRS 116.3108.

6 8. As used in this section, "emergency" means any occurrence or
7 combination of occurrences that:

8 (a) Could not have been reasonably foreseen;

9 (b) Affects the health, welfare and safety of the units' owners of the
10 association;

11 (c) Requires the immediate attention of, and possible action by, the
12 executive board; and

13 (d) Makes it impracticable to comply with the provisions of subsection
14 2 or 5.

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