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**Residents Information Center, Inc.** a Nevada non-profit corporation  
**Serving Nevada since 1995** 7900 N. Virginia St., #114 Reno, Nevada 89506 775/677-7057  
Officers: Brent Tyler • Charles Cheramie • Mary Jo Wiese • Marshall L. Schultz

02/19/03, Committee on Judiciary: SB13, revision to NRS 118A.260.1(b)

My name is Marshall Schultz. I am founder and president of Residents Information Center, Inc. (RIC), a tax exempt organization.

We are known throughout the state as Nevada Renters Hotline. Ours is the only office in Nevada that residential tenants, landlords, and agents may call for reliable information about the rental statutes, and how to deal with the other party in the transaction. We are the only office in Nevada collecting and collating information on rental problems from all around the state. Many state and local government offices refer callers to us, including the Governor's office and the AG's office.

We do not give legal advice, only practical guidance. We get no money from government or from funding organizations. Our revenue comes entirely from people who call or email the Hotline for information. Fewer than 5% of those donate a small amount of money. Revenues average about \$1,000 per year. That's enough to let us render a unique service to Nevadans, which we have been doing since 1995.

The Hotline gets calls from all over the state, and many of those calls are from tenants who don't know who to call in emergencies, especially for emergency repairs.

Many landlords do not live near the rental property. Quite a few, in fact, are out-of-state owners, many of which do not employ an agent. Many landlords do not provide their own phone number, only an address to which the tenant is to send the rent.

We believe the proposed revision to NRS 118A will be beneficial to thousands of tenants, especially those in the remote counties.

now testimony

ASSEMBLY COMMERCE & LABOR  
DATE: 2/19/03 ROOM: 4100 EXHIBIT C  
SUBMITTED BY: Marshall Schultz

**Senate Committee on Judiciary:**  
**Testimony in support of SB 13 revising NRS 118A.260.1(b)**

The Hotline gets calls from all over the state, and many of those calls are from tenants who don't know who to call for emergency repairs. Many landlords and agents do not live or work near the rental property. Quite a few owners, in fact, are out-of-state owners, many of which do not employ an agent. Most landlords do not provide their own phone number, only an address to which the tenant is to send the rent.

NRS 118A.260.1(b) now requires the tenant be provided a phone number *at which a responsible person who resides in the county in which the premises are located may be called in case of emergency*. The proposed revision may make it a bit easier for landlords to comply with the law.

**But the revision LACKS A DEVICE OBLIGING LANDLORDS TO COMPLY.**

The penalty now in the statute is so small it is safely ignored. Defined in NRS 118A.410, that penalty provides that a tenant *may recover actual damages or \$25, whichever is greater*. Added in 1977, today no one would consider that penalty sufficient to encourage compliance.

Equally important, both the present statute and the proposed revision appear to rely on a remedy to be provided by the courts. In the first place, no tenant can prove damages caused by landlord's failure to provide the information, so the most a tenant can recover is \$25.00. Does anyone believe a person will go to court for \$25.00?

Secondly, even if the penalty is increased enough to make recovery attractive, tenants will not go to court. To do so would wreck tenant's ability to rent in the future. A landlord's refusal to rent to a tenant who recovered in court may violate Fair Housing or other laws, but that is a never-mind. Landlords and agents know plenty of ways around that little impediment.

In consideration of these facts, we propose an amendment to SB 13 to penalize landlords who do not comply with the statute, and to provide a method of imposing the penalty without requiring tenants to go to court. To focus landlords' minds, we propose a \$500.00 penalty, corresponding to penalties Real Estate Division now may impose on property managers under NRS 645.633.1(h) and NAC 645.605.5.

Further, to give tenants a real remedy, we propose that a state agency be authorized to investigate claims of landlord's failure to comply, and to impose the penalty. From research with the Division and the AG's office, we believe the Real Estate Division is the only agency remotely prepared for this task.

Finally, the penalty should be divided equally between the Real Estate Division and the tenant. This will help defray the cost of RE Division management, and make it worthwhile for tenants to file complaints. Subsequent violations of the same type may be penalized at the same or at a higher rate.

Thank you. If there are any questions I'll try to answer them now.