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DEPARTMENT OF BUSINESS AND INDUSTRY
REAL ESTATE DIVISION
www.red.state.nv.us

PROCESS OF RESOVLING COMPLAINTS IN
COMMON-INTEREST COMMUNITIES
AFTER SB100 IMPLEMENTATION

Step No. 1

Contact the Ombudsman's office for assistance in understanding rights, responsibilities and roles units owners and board members have when living in common-interest communities.

Step No. 2

Apply the knowledge gained from the assistance in step no. 1 to attempt to resolve the matter on your own.

Step No. 3

If you are unable to resolve the matter on your own, you may file a complaint with the Ombudsman's office requesting that they assist you in resolving the complaint.

Step No. 4

The Ombudsman's office will:

- facilitate communication between opposing parties ;
- seek information about the problems and review the facts;
- mediate discussions aimed at resolving conflicts;
- negotiate solutions to problems; and
- make a recommendation on how to solve the complaint.

Step No. 5

The opposing parties may:

- Accept the recommendation made by the Ombudsman's office and resolve the complaint; or
- If the complaint involves violations of NRS 116, may ask that the Ombudsman's office refer their file to the Compliance Section to have an investigation conducted and if the investigation results in a conclusion that violations exist have a formal Complaint for Disciplinary Action filed with the Commission for Common-Interest Communities; or
- If the complaint involves violations of the governing documents of an association, but not violations of NRS 116, file an ADR claim pursuant to NRS 38.300-360.

Often times matters may have overlapping issues and you may have to file the complaint with the commission concurrently with the ADR claim (not possible in current version of SB100, Sec. 11).

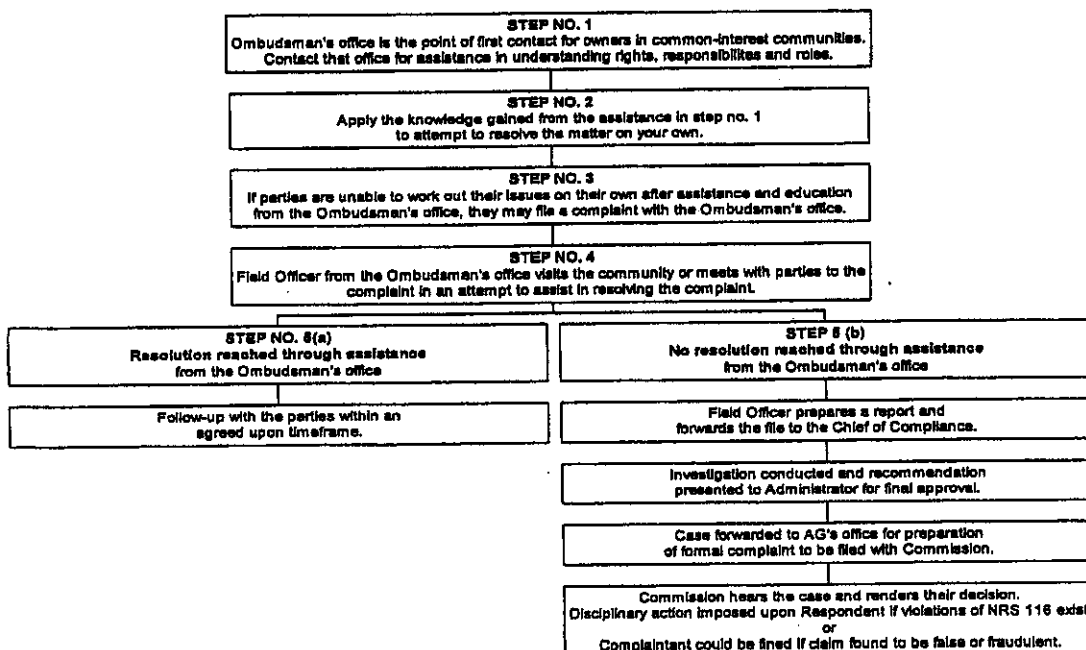


EXHIBIT H Senate Committee on Commerce/Labor

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Ombudsman's Office

Point of first contact for homeowners and board members.

- ** Staff in Ombudsman's office informally and impartially work with homeowners and boards and assist them in resolving their complaints without cost and/or civil or disciplinary action by recommending a solution(s) to the parties.*
- ** Compile and maintain data relating to the number of liens foreclosed on units within common-interest communities for failure to pay assessments levied against those units.*
- ** Compile and maintain data relating to whether a study of the reserves of the association exists and if so, the date on which it was completed.*
- Staff in the Ombudsman's office and contractors provide training to homeowners and board members throughout the state to empower them with the knowledge they need to live harmoniously within their communities.
- Staff in the Ombudsman's office prepare and distribute materials they publish to assist homeowners and board members in understanding their rights, responsibilities and roles.
- Assist with the ADR process as outlined in NRS 38.300-360.
- Compile and maintain a registration of each association organized within the State.

** Items in italics would be added duties to the Ombudsman's office through SB 100.*

Compliance Section

Investigates complaints not resolved by assistance through the Ombudsman's office where the parties have chosen the path to the Commission seeking disciplinary action.

- Investigates complaints referred to them by the Ombudsman's office after an attempt to resolve the complaint is unsuccessful. The Chief of Compliance makes a recommendation to the Administrator as follows:
 - The matter to be referred to the Attorney General's office and a formal Complaint for Disciplinary Action be filed against the Respondent with the Commission for Common-Interest Communities;
 - The complaint is false or fraudulent and that the Commission should consider fining the complaintant; or
 - The matter does not involve a violation of NRS 116 and that an ADR claim be filed pursuant to NRS 38.300-360.