

SENATE BILL NO. 323—SENATOR SCHNEIDER

MARCH 24, 2005

Referred to Committee on Judiciary

SUMMARY—Requires governing body of city or county to provide for certain sales and leases of real property. (BDR 22-778)

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 real property; providing in skeleton form for the development and sale or lease of portions of a high-rise building project before completion of the entire project; revising certain provisions relating to the use of proxies by certain unit owners in common-interest communities; 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. Chapter 278 of NRS is hereby amended by adding thereto a new section to read as follows:

A governing body shall provide for a method by which a developer of a high-rise building project may, without the need of any waiver or other special authorization, complete and sell or lease portions of the project before the completion of the entire project.

Sec. 2. NRS 278.010 is hereby amended to read as follows:

278.010 As used in NRS 278.010 to 278.630, inclusive, *and section 1 of this act*, unless the context otherwise requires, the words and terms defined in NRS 278.0105 to 278.0195, inclusive, have the meanings ascribed to them in those sections.

Sec. 3. NRS 116.311 is hereby amended to read as follows:

116.311 1. If only one of several owners of a unit is present at a meeting of the association, that owner is entitled to cast all the



1 votes allocated to that unit. If more than one of the owners are
2 present, the votes allocated to that unit may be cast only in
3 accordance with the agreement of a majority in interest of the
4 owners, unless the declaration expressly provides otherwise. There
5 is majority agreement if any one of the owners cast the votes
6 allocated to that unit without protest made promptly to the person
7 presiding over the meeting by any of the other owners of the unit.

8 2. Except as otherwise provided in this section, votes allocated
9 to a unit may be cast pursuant to a proxy executed by a unit's owner.

10 A unit's owner may give a proxy ~~only to a member of his~~
11 ~~immediate family, a tenant of the unit's owner who resides in the~~
12 ~~common interest community, another unit's owner who resides in~~
13 ~~the common interest community, or a delegate or representative~~
14 ~~when authorized pursuant to NRS 116.31105.]~~ **to any person.** If a

15 unit is owned by more than one person, each owner of the unit may
16 vote or register protest to the casting of votes by the other owners of
17 the unit through an executed proxy. A unit's owner may revoke a
18 proxy given pursuant to this section only by actual notice of
19 revocation to the person presiding over a meeting of the association.

20 3. Before a vote may be cast pursuant to a proxy:

21 (a) The proxy must be dated.

22 (b) The proxy must not purport to be revocable without notice.

23 (c) The proxy must designate the meeting for which it is
24 executed.

25 (d) The proxy must designate each specific item on the agenda
26 of the meeting for which the unit's owner has executed the proxy,
27 except that the unit's owner may execute the proxy without
28 designating any specific items on the agenda of the meeting if the
29 proxy is to be used solely for determining whether a quorum is
30 present for the meeting. If the proxy designates one or more specific
31 items on the agenda of the meeting for which the unit's owner has
32 executed the proxy, the proxy must indicate, for each specific item
33 designated in the proxy, whether the holder of the proxy must cast a
34 vote in the affirmative or the negative on behalf of the unit's owner.
35 If the proxy does not indicate whether the holder of the proxy must
36 cast a vote in the affirmative or the negative for a particular item on
37 the agenda of the meeting, the proxy must be treated, with regard to
38 that particular item, as if the unit's owner were present but not
39 voting on that particular item.

40 (e) The holder of the proxy must disclose at the beginning of the
41 meeting for which the proxy is executed the number of proxies
42 pursuant to which the holder will be casting votes.

43 4. A proxy terminates immediately after the conclusion of the
44 meeting for which it is executed.



1 5. A vote may not be cast pursuant to a proxy for the election
2 or removal of a member of the executive board of an association
3 unless the proxy is exercised through a delegate or representative
4 authorized pursuant to NRS 116.31105.

5 6. The holder of a proxy may not cast a vote on behalf of the
6 unit's owner who executed the proxy in a manner that is contrary to
7 the proxy.

8 7. A proxy is void if the proxy or the holder of the proxy
9 violates any provision of subsections 1 to 6, inclusive.

10 8. If the declaration requires that votes on specified matters
11 affecting the common-interest community must be cast by the
12 lessees of leased units rather than the units' owners who have leased
13 the units:

14 (a) The provisions of subsections 1 to 7, inclusive, apply to the
15 lessees as if they were the units' owners;

16 (b) The units' owners who have leased their units to the lessees
17 may not cast votes on those specified matters;

18 (c) The lessees are entitled to notice of meetings, access to
19 records and other rights respecting those matters as if they were the
20 units' owners; and

21 (d) The units' owners must be given notice, in the manner
22 provided in NRS 116.3108, of all meetings at which the lessees are
23 entitled to vote.

24 9. If any votes are allocated to a unit that is owned by the
25 association, those votes may not be cast, by proxy or otherwise, for
26 any purpose.



