MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON JUDICIARY

Seventy-Fifth Session
May 7, 2009

The Committee on Judiciary was called to order by Chairman Bernie Anderson at 8:32 a.m. on Thursday, May 7, 2009, in Room 3138 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda (Exhibit A), the Attendance Roster (Exhibit B), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/75th2009/committees/. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

COMMITTEE MEMBERS PRESENT:

Assemblyman Bernie Anderson, Chairman
Assemblyman Tick Segerblom, Vice Chair
Assemblyman John C. Carpenter
Assemblyman Ty Cobb
Assemblywoman Marilyn Dondero Loop
Assemblyman Don Gustavson
Assemblyman John Hambrick
Assemblyman William C. Horne
Assemblyman Ruben J. Kihuen
Assemblyman Mark A. Manendo
Assemblyman Richard McArthur
Assemblyman James Ohrenschall
Assemblywoman Bonnie Parnell

COMMITTEE MEMBERS ABSENT:

Assemblyman Harry Mortenson (excused)

GUEST LEGISLATORS PRESENT:

Senator Michael A. Schneider, Clark County Senatorial District No. 11

STAFF MEMBERS PRESENT:

Jennifer M. Chisel, Committee Policy Analyst
Nicolas Anthony, Committee Counsel
Katherine Malzahn-Bass, Committee Manager
Emilie Reafs, Committee Secretary
Steve Sisneros, Committee Assistant

OTHERS PRESENT:

Kyle Davis, Policy Director, Nevada Conservation League, Las Vegas, Nevada
Joe Johnson, Reno, Nevada, Co-Chair, Legislative Committee, Toiyabe Chapter, Sierra Club
Charles Benjamin, Carson City, Nevada, Director, Nevada Chapter, Western Resource Advocates
Kevin Wallace, Las Vegas, Nevada, representing Community Association Management Executive Organization, Inc.
Michael Trudell, Reno, Nevada, Manager, Caughlin Ranch Homeowners Association
Bud Hicks, Glenbrook, Nevada, President, Glenbrook Homeowners Association
Garrett Gordon, Reno, Nevada, representing Olympia Group Inc., Las Vegas, Nevada
Karen Dennison, Reno, Nevada, representing Lake at Las Vegas Joint Venture, LLC; and American Resort Development Association
Michael Buckley, Las Vegas, Nevada, Chair, Commission for Common- Interest Communities and Condominium Hotels
Bob Robey, Private Citizen, Las Vegas, Nevada
Jonathan Friedrich, Private Citizen, Las Vegas, Nevada
Michael Schulman, Attorney, Las Vegas, Nevada, representing several homeowners' associations
John Radocha, Private Citizen, Las Vegas, Nevada
Carolyn Ellsworth, Administrator, Securities Division, Office of the Secretary of State

Chairman Anderson:
[Call to order, roll call, reviewed Committee protocol.] There will be a memorial service for fallen officers today. Assemblyman Hambrick has an announcement for the Committee.

Assemblyman Hambrick:
The Las Vegas Metropolitan Police Department lost an officer last night responding to a call. He died in a traffic accident.

Chairman Anderson:
I will open the hearing on Senate Bill 183 (1st Reprint).

Senate Bill 183 (1st Reprint): Revises various provisions governing common-interest communities. (BDR 10-70)

Senator Michael A. Schneider, Clark County Senatorial District No. 11:
Senate Bill 183 (1st Reprint) is an almost exact duplicate of a bill the Governor vetoed last session, Assembly Bill No. 396 of the 74th Session. The portions of that bill that he did not like have been deleted from this bill. One provision was the rolling shutters, which was processed in a separate bill, Senate Bill 216 (1st Reprint).

The problem the Senate perceived last time was that some of the provisions were added in conference committee and there was a perception that there was not a full hearing. There has been a full hearing this session. We have had extensive hearings in Senate Judiciary on Senate Bill 183 (1st Reprint), Senate Bill 182 (1st Reprint), and the other homeowners' association bills. I met with all of the interested parties and hammered the issues out, so I think we are in good shape.

We have reemphasized the preamble to Senate Bill No. 192 of the 70th Session in S.B. 182 (R1) and the companion bill, S.B. 183 (R1). These are common-interest community (CIC) bills, which are also called homeowners' associations or HOAs. These are the form of government closest to the people. They have all of the hallmarks of the three branches of government: legislative, executive, and judicial. They have the power to legislate, to tax, to convene quasi-judicial hearings, and to punish. As I also noted in the preambles to both of the bills I mentioned, all forms of government should observe basic principles of democracy found in the *United States Constitution* and the *Nevada Constitution*, but these preambles note that some CICs have a history of abuse of power. The preambles declare that homeowners have the right to live in a community without fear of illegal, unfair, or unnecessary interference of their rights.

Some people will argue that CICs are matters of contract and if buyers do not want to abide by the covenants, conditions, and restrictions (CC&Rs), they ought to live somewhere else. But as a matter of fact, CICs are a condition of granting necessary building permits in many, if not most, of the new housing

developments in Nevada. So people often do not have a choice whether to live in a CIC or not. We have built as many as 40,000 new homes a year at times in Nevada, and most of these have been built in HOAs. So the number of citizens these governments impact rose each year.

According to the Real Estate Division, there are 2,952 HOAs in Nevada as of December 2008, with 469,406 residential units. Furthermore, contract rights, as important as they are, should not take precedence over the rights of the people to live without fear in their homes, free from illegal, unfair, or arbitrary actions by the government closest to them.

Over the past six sessions, the Legislature has sought to protect the right of citizens of Nevada to be safe and secure in the enjoyment of these rights. The bill is designed to further protect these basic rights we cherish because there are still abuses of power in HOAs. While some may assert that these are isolated incidents, and we should not enact new laws every time there is some small miscarriage of justice, these incidents affect people's most precious and valuable possession, their home, the sanctuary for them and their families.

As the Legislature noted in the 1999 preamble, homeowners invest financially and emotionally in their homes, and HOAs have power over one of the most important aspects of a person. Nothing that affects the sanctity of our homes is too insignificant to protect when it is under attack from abuse of a governmental power, no matter how small that government or infrequent the attack.

[Read from prepared statement (Exhibit C).]

Chairman Anderson:
Section 5 kind of boggles the mind other than the fact that there are some motorcycles that have a clear and distinct sound to them. It seems reasonable that you would not want one of these bikes started outside your window. I thought that one of the perks of living in one of these communities is that you get to set up your own set of rules. Are we not overreaching the whole purpose of living in one of these communities?

Senator Schneider:
Let me answer that question this way: if he were to push his bike two blocks to the gate and then fire it up, you still hear it.

[Continued to read from page 1 of his prepared statement (Exhibit C).]

Section 6 is pretty controversial. Some CICs have used radar guns for traffic control. There are some HOAs that are putting up those speed displays, and in the Red Rock Country Club in Las Vegas an owner has a Lamborghini or something and goes about 120 miles per hour (mph) through the community. The HOA says they need their radar guns.

Chairman Anderson:
Does the HOA get to cite the Lamborghini for going 120 mph?

Senator Schneider:
Yes, they do. Some of the fines are pretty aggressive in the HOAs. The police do not want to go into these communities because it is considered private property. Some of the big HOAs, with lots of communities in them, want the police to come in and the police are saying no. I know that Southern Highlands in the south end of the Las Vegas Valley is trying to get the police to come in a certain number of days a week so there would be a presence.

Chairman Anderson:
But the citation does not go on your driving record?

Senator Schneider:
No.

[Continued to read from page 2 of prepared statement (Exhibit C).]

I would like to explain section 11 a little further. When Summerlin, which is 55,000 acres, was first developed, the builder sweetened the pot to get the Catholic Church and the Mormon Church to move out there as well as a synagogue. The developer did this to get them to move in before the houses were even sold. Now that there are a few hundred thousand people living there, other churches and houses of worship have come in and they do not get the same treatment. We felt that put people in a really bad position, so we wanted to try to level the playing field.

[Continued to read page 3 of prepared statement (Exhibit C).]

Chairman Anderson:
Since we have this document, I would ask that you pick the provisions you would like to specifically identify as particularly problematic.

Senator Schneider:
Section 12, subsection 4 is about fines, and fining goes on a lot in HOAs. There will be a tenant living in a HOA and he is violating some of the CC&Rs

and the landlord never knows because the notices go to the home's address rather than a designated address. The owner of the property gets fined and is responsible for the fines. It makes for a better HOA if the tenant follows all of the rules and regulations.

Assemblyman Hambrick:
I have a question about section 11. I live in Summerlin, so I do not know where the problem is. As Summerlin grew there were a number of houses of worship throughout the community and for new ones who wanted to come, should they not pay the market price? Obviously, we all want to have park-like settings, schools, and houses of worship that are convenient.

Senator Schneider:
The Catholic Church, the synagogue, and the other houses of worship that were the first in do not have to pay HOA dues. They do not have to pay to sustain the parks and all of the other amenities, which was part of the deal. They also got land at a favorable rate. The newer churches have had to pay more for their land, and that is fine considering the fact that some churches are paying HOA dues and others are not, are you favoring one church over another? As the developer leaves the project and turns control over to the HOA, there are some religions that are getting favorable treatment for eternity over others.

I think this is a public policy decision since we have freedom of religion, but now some religions are treated more favorably than others. I brought this provision in because some ministers in Las Vegas brought the issue to my attention.

Chairman Anderson:
It is similar to the fact that we exempt churches, schools, and other groups from certain public taxes but not from special assessments. I would expect that there are requirements for entrance and egress in common-interest communities as well.

Senator Schneider:
They do apply; everyone has to abide by the city codes. The issue is the dues which would be paid to maintain the parks and streets: some religious organizations do not have to pay them but others do. It was part of the deal between the builder and the organization going in to sweeten the pot. But once the marketing ends and we go forward for the next several hundred years, if that exemption still exists, then there is the perception that some religions are treated more favorably than others. The church that I attend is one of the ones exempted, so, again, it is a question of policy.

Assemblyman Segerblom:
You said that when the Governor vetoed the bill last time he articulated particular provisions he did not like, and those were taken out?

Senator Schneider:
Yes, that is correct.

Assemblyman Segerblom:
Have you talked to his office since to see if they are agreeable to the new bill?

Senator Schneider:
I have talked to the staff and we have addressed their provisions by taking them out and putting them in other bills. The big hang-up last session was the perception that some issues did not get a proper hearing and that something had been done in conference committee.

Chairman Anderson:
There have been some proposed amendments presented. Have you seen them and are they acceptable to you?

Senator Schneider:
Most of them are. I do not have a problem if the Committee adopts amendments. If you get any amendments, we will work through them.

Kyle Davis, Policy Director, Nevada Conservation League, Las Vegas, Nevada:
We do not have a position on the bulk of the bill, but sections 1 and 45 are an issue that the Legislature has been dealing with for a couple of sessions. What we have done this session is take the solar portion out of this bill and put it into Senate Bill 114 (1st Reprint), which has been passed by the Senate and has been heard in the Assembly Committee on Commerce and Labor. We feel that bill is a better statement of the state's public policy about our solar and renewable energy and gives a lot more depth to the issue.

So we support either deleting sections 1 and 45 from this bill or amending S.B. 114 (R1) into this bill.

Joe Johnson, Reno, Nevada, Co-Chair, Legislative Committee, Toiyabe Chapter, Sierra Club:
This is an issue that has been around for some time. The existing language says that the HOA cannot unreasonably restrict the use of solar or renewable energy and that is the crux of the problem. What is "unreasonable" and how is it determined? Is it an action that is to be taken on a civil complaint by the member of the homeowners' association who has found that he has been

unduly restricted? Senate Bill 114 (1st Reprint) offers a process as well as concrete procedures to review the proposed restrictions. We would like to state that the Sierra Club supports the position of Senator Schneider and applauds his efforts to resolve this conflict. We would like to see sections 1 and 45 deleted from this bill.

Charles Benjamin, Carson City, Nevada, Director, Nevada Chapter, Western Resource Advocates:
We are here in support of Senator Schneider.

Kevin Wallace, Las Vegas, Nevada, representing Community Association Management Executive Organization, Inc.:
I am speaking in support of the bill, except for a few minor things.

The issue in section 26, subsection 2 of the bill is that this bill requires at least one signature of a board member or an association may not withdraw funds. The issue is that many bills, especially utility bills, are on autopay and it seems that this section would preclude that practice. I would like to add that I do not think we want to preclude associations from taking advantage of some of the new technologies that would allow them to pay their bills online. It offers additional security and efficiencies. We have proposed an amendment (Exhibit D). The language was inadvertently left out of the first reprint.

We withdraw our objection to section 38. The current language adequately addresses our concerns on that.

Chairman Anderson:
I want to make sure I understand. In your handout you address sections 26 and 38, but your amendment to section 38 is not necessary?

Kevin Wallace:
Correct, it is not necessary.

Michael Trudell, Reno, Nevada, Manager, Caughlin Ranch Homeowners Association:
Bill Magrath is the president of the homeowners' association but could not be here today. He has been working with Senator Schneider on this bill and the Senator has agreed to the amendment we are proposing (Exhibit E).

The homeowners' associations rely on volunteers for their boards of directors. They are Nevada nonprofit corporations and operate with volunteer executive boards. If these board members are subject to their personal assets being at risk, we feel that there is a potential for board members to not want to serve.

So we are proposing an amendment to *Nevada Revised Statutes* (NRS) Chapter 116.31036, subsection 3, which currently states that punitive damages may not be awarded against an association, and this amendment seeks to clarify that punitive damages also may not be awarded against an association, the board members, or officers.

In addition, we are requesting to amend NRS 116.4117 to clarify that the statute is subject to NRS 116.31036. Page 2 of our handout at line 35 would read "Punitive damages may not be recovered against: (a) the association; (b) a member of the executive board for actions taken as an executive board; or (c) an officer of the association for actions taken in his capacity as the officer of the association." Then there is a deleted section below that.

The second amendment is on page 3 of the handout on line 11, which says "subject to the requirements set forth in NRS 38.310," and we are adding "NRS 116.31036, as amended."

Chairman Anderson:
I thought we dealt with this issue in another piece of legislation, particularly about not wanting members of executive boards to be subject to punitive damages.

Bud Hicks, Glenbrook, Nevada, President, Glenbrook Homeowners Association:
I have served on the board for ten years and we have a wonderful board. We have never had a complaint before the state commission and never had to fine a member. We have big responsibilities, such as the $2 million reconstruction project relating to our roads, so we have large issues to deal with in our little community. All of this depends upon the board members and having qualified people serve as board members.

I agree with Senator Schneider when he describes homeowners' associations as mini-governments, but there is one very important difference. Government officers have immunity, but homeowners' association board members do not, except in their capacity as volunteers. This amendment is consistent with other provisions of Nevada law, such as NRS Chapter 41 that deals with volunteers who serve on such boards. It essentially takes the target off the chests of the volunteers who serve on our board.

Our board members are all substantial business and professional people, and if they were subject to punitive damages because of an error in the law, or confusion about the law, we would lose those volunteers, and that would be a loss for us and the state. We encourage the Committee to adopt the proposed

amendment. It is consistent with Assembly Bill 350 (1st Reprint), which you heard and acted on several weeks ago.

Assemblyman Horne:
Assembly Bill 350 (1st Reprint) dealt with retaliatory actions and punitive damages. This is existing law.

Bud Hicks:
It is not really that different because the association can be sued for compensatory damages, so if they retaliate against a member, they are subject to civil liability and compensatory damages. All this amendment does is clarify some inconsistencies in the statute that could arguably expose these board members, who are acting in good faith, to punitive damages.

Assemblyman Horne:
I do not think punitive damages apply when someone is acting in good faith. Punitive, meaning punishment, is for those who do not act in good faith. It gives me concern that we are taking this a step further and changing existing law that permits someone to seek punitive damages in such cases where someone is acting outside of the scope and authority of their position.

Bud Hicks:
There is a provision in the statute that states that members of associations can sue each other for punitive damages, but there is this other provision that says the association is not subject to punitive damages. If a person is serving as a board member or association officer and acting in their capacity, they simply should not have that target on their chest; otherwise we lose our volunteers. I think it is a clarification of the law and brings it into conformity with other provisions relating to volunteers who serve on such boards.

Mike Trudell:
Assemblyman Horne, if you will look on page 2 of our amendment, line 26 where it says, "If a member of an executive board is named as a respondent or sued for liability for actions undertaken in his role as a member of the board, the association shall indemnify him for his losses or claims, and undertake all costs of defense..." so that is when he is acting in the proper capacity. After it is proven that he has acted with willful or wanton misfeasance or with gross negligence, the association is no longer liable for the cost of that person's defense and may recover any costs already expended for the member of the executive board who so acted. This is what the individual would be penalized for and what the current law still allows for after such proof. It does still cover the individual's actions which are not within their capacity, and that person is subject to their personal liability after that. It removes the ability for a

homeowner to make a claim for punitive damages specifically against a member of the board when they are filing a claim.

Most homeowners' associations' insurance policies do not cover if an individual is sued for punitive damages; it is an exemption within the policy. Then the individual may need to seek his own counsel and would not be able to be held harmless by the association and covered for their defense costs by the association.

Assemblyman Horne:
So these board members do not get their own additional insurance? I have served on nonprofit boards and I have gotten insurance to protect me in such circumstances.

Mike Trudell:
The homeowners' associations' directors and officers liability policy covers all directors, officers, and employees of the association, so there is not a separate policy that each individual board member must take out.

Assemblyman Horne:
I understand that, but we are talking about this gap between the policies the homeowners' associations provide for their board members which covers them with the exception of punitive damages. So are they not able to get their own insurance to protect them from such an action against them?

Mike Trudell:
The policy that is in place for the homeowners' association has an exemption clause within it that says if the words "punitive damages" are included in the complaint, that board member is potentially not covered under the association's policy and may have to get additional coverage.

Bud Hicks:
The problem is that all of these insurance policies do not cover punitive damages, and so it is very easy to allege punitive damages in a complaint, which essentially leaves the board member having to retain his or her own counsel or just hoping for the best. The other implication of it is that then they have to disclose all of their personal net worth in this litigation, so it puts an easy target on a person, particularly on a person who is very successful and perhaps has a lot of assets. None of these people want to have to disclose their net worth to an angry member of a homeowners' association. We talk about abuse by homeowners' boards, but there is reciprocal abuse.

The association is liable if they violate someone's rights and harm him; then they are certainly liable for compensatory damages. One cannot insure against punitive damages as a matter of public policy. It is an easy way to harass volunteers who serve on the board by claiming they have done something that would subject them to paying punitive damages.

Assemblyman Horne:
I still have concerns.

Assemblyman Carpenter:
What kind of problems have you had with this? Are you thinking it will be a problem in the future?

Bud Hicks:
It is a problem because those who serve as volunteers, if they know that they can be targets, will not serve. As an example, Caughlin Ranch was sued by an angry homeowner who was upset because the board and their design review committee did not allow him to expand the height of his residence. That homeowner hired counsel, sued the board, and claimed everything including punitive damages. It cost the association $250,000 to defend that case. The association won the case and was awarded the fees, so they were made whole in the end, but it was living hell for the board members to have to go through that because a homeowner had the time and resources to sue them. They are then potentially subject to punitive damages. We have to encourage the right people to run for the boards.

Assemblyman Horne:
Are you saying the lawsuit you referenced would not have gone forward but for the possibility of punitive damages?

Bud Hicks:
I am not saying that, but because the threat was there for punitive damages, it made a difficult situation much worse for those board members. It would not stop a lawsuit, but it would focus on what the actual damages are.

Assemblyman Horne:
That illustrates my point. There was a case that would have been brought with or without punitive damages, but it was proven that there was no misfeasance or wanton and willful misconduct and no punitive damages were awarded. This new language states that someone could act with misfeasance and wanton disregard and the only thing that is going to happen is that the association would not pay for counsel.

Bud Hicks:
This case worked out fine for the homeowners' association, but sometimes homeowners' associations do make mistakes and sometimes members should be compensated. The law adequately provides for that. The problem is if the volunteers may have to give their financial statements out to an angry association member, they will not serve, but these are the people we want to serve.

I am not saying that an association should not pay damages to an aggrieved person, but the law already provides that the association is not responsible for punitive damages. All we are saying here is that a person serving as a board member and officer, when acting in their capacity as such, are similarly not subject to punitive damages.

Garrett Gordon, Reno, Nevada, representing Olympia Group, Inc., Las Vegas, Nevada:
We wanted to thank Senator Schneider for a seat at the table in the working group. We think the bill is a good compromise and we support it.

Karen Dennison, Reno, Nevada, representing Lake at Las Vegas Joint Venture, LLC; and American Resort Development Association:
I am here to support the bill as well as the amendment regarding punitive damages, amending NRS 116.31036 and 116.4117. I would like to echo Bud Hicks' comments that we can write the best laws in the world, but if we do not have volunteer board members to serve, then we will be in a crisis.

Chairman Anderson:
I respect your opinion, so I will ask you too. Have you seen a large abuse of this loophole?

Karen Dennison:
I have not, but I do not represent that many associations. The threat of the punitive damages is a big stick which could be misused by an angry homeowner to get leverage. If a board member is not doing his job, he can be removed. There are adequate protections in the law without punitive damages. I have found that many board members are not even aware that they could be subject to punitive damages and to opening their financial statements to the court. It is unfair for a volunteer board member to go through this.

Assemblyman Horne:
This has been the law since 1993. Board members have been operating under this "exposure" for this long and, per your testimony; there has not been a large abuse of it.

Karen Dennison:
What is happening here is that throughout the years, board members are being exposed more and more to a greater scrutiny to other sections of this law. One of the bills under consideration this session has a provision about a board member interfering with the rights of an owner as guaranteed by NRS Chapter 116. There could be an unintentional interference with those rights, but then the board member could be subject to punitive damages.

Assemblyman Cobb:
Since I represent a majority of Caughlin Ranch, I have a closer tie to the situation mentioned by their representatives. The reason they brought up the lawsuit, even though it turned out in their favor, is the idea of the chilling effect on board members, even when there is a frivolous lawsuit charging punitive damages and all sorts of things. I say frivolous because attorney's fees were awarded, which is fairly rare. It may not always be a successful lawsuit but it will keep volunteers from coming forward and serving.

Karen Dennison:
I agree. It is not the award of the punitive damages that will be the worst part, but it is the threat and leverage gained by someone who can sue for punitive damages knowing that attorney's fees for the individual would have to come out of pocket since he cannot get insurance against such a lawsuit.

Michael Buckley, Las Vegas, Nevada, Chair, Commission for Common-Interest Communities and Condominium Hotels:
I cannot speak for the Commission on all of these issues. I submitted a comment letter (Exhibit F). The Commission supports this bill in almost every aspect and, in fact, a number of the provisions came from the Commission. In particular was the provision that a reserve study preparer only needs to register, not be approved by the Commission.

Personally, I have been through the bill and support the bill. I would like to add some comments to the issue of punitive damages, because it was discussed at the Commission, and the Commission supports the amendment by Caughlin Ranch. Looking at the section that is proposed to be amended, NRS 116.31036 is really about removal of a member of the board and then, buried in section 3, is the provision about punitive damages. Although the original section was adopted in 1993, I do not believe this section was part of the original enactment because that statute was amended in 2003 and 2005.

When one turns to the remedy section, NRS 116.4117 does permit punitive damages but does not mention board members. A fair interpretation is that board members would not be liable under this subsection for punitive damages.

As the Committee is aware, this law gets amended every two years and sometimes things get put in there that are inconsistent with other provisions. The reason the Commission supports the Caughlin Ranch amendment is that the possibility of punitive damages hurts volunteers. We see protections for volunteerism in NRS Chapter 41, and punitive damages do not serve the association. The association can be made whole; the Commission can punish or fine a board member if there is a willful improper act or violations of law, so there are adequate remedies in existing law.

Also, the board acts as a board. So saying there is a right to punitive damages does not make any sense because the entire board votes on something, and they act together, not individually.

There are three points I wanted to make. Section 4 says that the CC&Rs or the declaration must be consistent with the public utility tariffs. The language also appears in Assembly Bill 129 (1st Reprint) and it would be simpler if the proposed language said if there is an inconsistency, the utility rules prevail. That way we would not be forcing associations to be constantly looking at their declarations to make sure they are not in violation. We would also take the same approach that is in NRS 116.11085, which says that if an association is governed by the corporate law, NRS Chapter 116 prevails. So we have precedent and similar language on an easier way to do that.

Section 30 states that if there are any rental restrictions, they cannot be changed. What has been pointed out to me is, if all the unit owners desire to change the rental restrictions, they should be able to even if a majority or supermajority is necessary. The people who live there ought to be able to control that. This would be different than the board making a rule. Homeowners' associations will be around for quite a while and, over the course of 30, 40, or 50 years, communities change and unit owners should be able to agree to change some of these restrictions if they agree in an amendment by the unit owners.

The last point is on transfer fees, which is section 33. This would restrict transfer fees but would allow the Commission to regulate the fees. I am unclear as to the intent because there are very different kinds of transfer fees. There are those that relate to setting up a new homeowner on the association books and records, and there are fees relating to preparing a resale package for a new owner. There have been some abuses in these areas.

There are other transfer fees, also called asset enhancement fees, which are built into the declaration so they are a matter of public record. They say that upon transfer of a unit, the purchaser will have to pay some amount to the

association. Associations use those funds in their budgets. Those fees, being a matter of record, are not controlled by the board but through the declaration, and if those are cut out, the association would be forced to come back to unit owners to get those funds. Apropos to Assemblyman Horne's question earlier—what is the abuse that is being sought to be fixed here so the Commission has some guidance on these things? I am not sure how the Commission would approach having to regulate a transfer fee that is set out in the declaration when the association was established.

I have sent the amendments to Senator Schneider but I have not had the chance to go over them with him, so I do not have his consent.

Chairman Anderson:
Many HOAs have a restriction that 25 percent of the units in a community will be available for rental. Is that a normal figure?

Michael Buckley:
I have not seen that at the Commission level. Issues dealing with CC&R violations go through the arbitration process under NRS Chapter 38.

Chairman Anderson:
Hypothetically then, let us assume the 25 percent. Because of the economic downturn, many people decide they can no longer afford the home they are in and decide to rent the home. Would the homeowner be precluded from renting out the home by the CC&Rs if the 25-percent level had already been reached?

Michael Buckley:
That is correct. There is a case in California where the CC&Rs said no pets and a woman had a cat in her unit. Someone looked in her unit and saw the cat, so the association took action against her. The California Supreme Court said that the restriction was in the CC&Rs when she purchased the unit, and she had the opportunity to not buy in that association, so they would not contest the CC&Rs.

Chairman Anderson:
Similarly the homeowner knows there is a 25-percent limit on rentals, but the circumstances of ownership have changed. If I am not in one of the preset units set aside as a rental, I am completely precluded from renting my unit?

Michael Buckley:
I would say the same thing. If you are in a community that absolutely prohibited rentals, you would be in the same circumstance. Something similar is senior housing; there can only be a certain percentage of homes where people

under age 55 live. That is federal regulation. Once that percentage has been reached, no additional people younger than 55 can live there; otherwise the project is endangered and is in violation of the law. If you could get 67 percent of the owners to agree to change it, then you would have flexibility, and if circumstances have so changed, you might be able to get a number of your co-owners to agree with you.

Chairman Anderson:
This session a number of bills have dealt with the problems that arise when units in a common-interest community are open, or in foreclosure, and the maintenance fees have to be picked up by the remaining members of the community to keep its maintenance and repair program in place. Then an assessment of those fees goes against the property. Will this bill address that scenario?

Michael Buckley:
That is not addressed in this bill. It is addressed in Assemblyman McArthur's bill, Assembly Bill 361 (1st Reprint). If a unit's owner falls behind, certainly the homeowners' association is not going to collect assessments from that owner. Once a property is foreclosed by the bank, the new owner, the bank, has to pay.

Chairman Anderson:
So the fees you were referring to earlier are not those kinds of fees.

Michael Buckley:
No, they are not.

Chairman Anderson:
This is such an omnibus piece of legislation. I recognize that we are trying to deal with some of these issues in smaller pieces so they are easier to handle.

Michael Buckley:
You raise a good point that the section on transfer fees is very broadly worded. From the Commission's standpoint, if we are going to regulate it, we would like to know more about the abuses and such that we are to be addressing.

Chairman Anderson:
I will move to those who are opposed.

Bob Robey, Private Citizen, Las Vegas, Nevada:
I want to bring out three issues from the handout I submitted (Exhibit G). My reason for being here is for the rights of the homeowners. The first issue is the changes in terms for directors; I believe a two-year term is sufficient. Second, section 26 specifies signatures to withdraw money, as previously stated, but what about autopay? Who is required to sign? I do not think this is well written.

The third point is section 28, subsection 1, paragraph (d), subparagraph (1), which would limit owners' access to books, records, and other papers of associations. Imagine a committee working on a project that the board has given it, and the committee prepares a paper to present to the board. That is a secret document because it is in draft form, and so to keep the document secret, the board had to meet in secret, which means no one knows what they talked about. I would love to see the open meeting law apply to HOAs. Senator Schneider said it is the government closest to the people and therefore needs to be open and transparent and owners need to be able to attend all of the meeting.

Jonathan Friedrich, Private Citizen, Las Vegas, Nevada:
I would like to talk about the motorcycle issue discussed earlier. You said that the owners set up their own rules in an HOA. Then you mentioned the rental issue; if the CC&Rs say no rentals, you have to live with that. But NRS Chapter 116 and this bill are trying to change a lot of those requirements.

What bothers me is section 24, subsection 2, paragraph (b), which would give unlimited powers to the boards to increase reserves or reserve assessments without a vote of the owners. I had a situation in the HOA where I live, where my board decided they were going to have a special assessment without a vote. I told them they were going to be violating the CC&Rs. The discussion got heated and nasty and the matter wound up going to arbitration. The arbitrator found that the board did, in fact, violate our CC&Rs and ordered the board to require a vote. It is a major concern when in one breath people are saying you have to follow the CC&Rs, but in the next breath, they say they do not like them and want the rules changed by state statute. I have a fundamental issue with the constant changing of the laws and then trying to bring the CC&Rs, which is an agreement between the owner and the association, into compliance with state law. What it boils down to is that one size does not fit all. Mr. Robey lives in an association with 7,781 homes, and I live in one with 116 homes.

Chairman Anderson:
Since we are trying to make sure there is a reserve fund to take care of problems, how are you going to get those assessments?

Jonathan Friedrich:
There are several different scenarios here. Associations are required to have a reserve study every five years. I had requested a copy of the reserve study before the board received it. I was refused but eventually the Chief Investigator at the Office of the Ombudsman in Common-Interest Communities and Condominium Hotels found that I was entitled to it. I received the document the day after the board approved it and I got the decision from the investigator two or three months later. There were a lot of errors in that document. If people in a community have the expertise to review a document before it is approved and find errors or omissions, then they should have the right to suggest fixes.

The other issue is what happens if there is an emergency. There could be a special emergency assessment to take care of a catastrophic event. My association repaved the roads in 2005, for which there was a special assessment of $2,500 to each homeowner. It was done legally at that time; there was a vote and two-thirds of the homeowners approved it. There is one other possibility, which is borrowing money to fund the emergency repairs. I do not know the regulations that would cover a situation of that nature. So there are no easy answers to any of this.

Michael Schulman, Attorney, Las Vegas, Nevada, representing several homeowners associations:
I would like to comment on Senator Schneider's opening remark about HOAs being governments. These are not governments even though they take care of the infrastructure of these units. There has been no case in the United States that has deemed HOAs to be governments. This will show the Committee where my comments will be going.

I sent you a letter with five comments, and other than those sections, I support the bill (Exhibit H). The first is section 5 regarding the motorcycles. When this provision was written it was because Senator Schneider said someone was forced to walk their motorcycle out to the front gate. As written, it could be read to mean that we cannot regulate motorcycles in the same way we can regulate cars or trucks. Chairman Anderson raised the issue about the noise. If an association has the right to regulate noise on a car, it should have the same right with respect to a motorcycle, so I have provided suggested language to ensure it would be acceptable.

With regards to sections 11 and 46, Senator Schneider gave a correct description of Summerlin and why certain houses of worship, including synagogues and churches, were first given the right not to be required to pay homeowners assessments. It was brilliant marketing by the Howard Hughes Corporation to bring the houses of worship into the community, and the exceptions are contractual. They are not governments, so if they made a deal with one entity, there is no reason why they cannot make different deals with the remaining entities.

One thing that no one has talked about is that if HOAs do this, and if 20, 30, or 40 houses of worship move in and they are all allowed to not be responsible for the homeowners' association assessments, the homeowners will be the ones to bear that burden. The homeowners' costs would go up, but it is the houses of worship that should be paying more, because we are talking about the wear and tear on roads and common facilities. Many people come to these houses of worship who do not live in the communities. We do not understand why there should be an exemption for the houses of worship.

Section 12 relates to Senator Schneider's story about the pizza delivery person. I agree with the initial concept that if a pizza delivery person is invited to my home and he speeds, I should not be responsible for that. The problem is, what about the second time I invite the same pizza delivery company into the community and I know they are going to break the rules? Should I be responsible? The issue really is contractors. People who are building homes in communities enter into contracts with the contractors where the contractors are coming in and out of the communities for months, if not years, at a time. They continually break the rules regarding speeding, the times they can build, et cetera. This provision would exempt them and the owners from being responsible when the owners can actually take responsibility by putting it into the contract with the contractor. What I have suggested is that perhaps the first time someone who is a guest or invitee breaks the rules, the person not be fined. The HOA just sends a letter stating the transgression, but that next time, the homeowner needs to take care of it.

The next section I want to comment on is section 14. This has not been brought up yet. There is a section of the law that says if homeowners run for the board of directors, they have to disclose whether or not they are in good standing. Good standing is currently only defined to mean if they are not delinquent on assessments. We are hoping that language could be added to include someone in violation of the governing documents, or who have not paid fines. More importantly, it is alleged that many board candidates do not properly fill out the forms. They say they are in good standing when they are not and the association and its manager are put in the position that they cannot

disclose that the applicant is not in good standing because they would be violating *Nevada Administrative Code* (NAC) Chapter 116, which talks about confidential information. I have suggested language there.

Chairman Anderson:
Many people run for office because they are dissatisfied with the rules of the game. The most effective way to make change is to become part of the governing body rather than stand on the outside and throw stones. Why would I be disqualified if I had a disagreement and a violation or some outstanding fine?

Michael Schulman:
That is not what we are saying at all. The law is written to say that you have to disclose it; it does not say you cannot run. You make a good point distinguishing between assessments and violations that you dispute, which is why you are running. There is a lot of that.

With respect to the assessments, I think the law should remain the same. All that is required is that you disclose that you are not in good standing. I think the members of the association have the right to know you have chosen not to abide by the CC&Rs. With respect to the violations, I suggested language two years ago which said you would only have to disclose a violation if you have not fought it by going through the arbitration process. It is something that needs to be considered, because owners would like to know if someone running for the board does not believe that certain provisions of the CC&Rs should be enforced and therefore has disregarded them; it should be disclosed.

Chairman Anderson:
The person who would put my name on the ballot only has to attest that I am a member of the common-interest community and thus a lawful candidate. I want to make sure that we are not limiting the candidate pool even more by disqualifying those who are in disagreement.

Michael Schulman:
The law right now is that you nominate yourself and fill out a form. The law requires that you state whether you are in good standing. The issue I am raising is what the definition of good standing is. Right now it is only that you have paid your assessments. It is something for the Committee to consider.

Section 33 is the one Mr. Buckley just spoke about and I think I can give some insight. This section was in the past bill and Senator Schneider had a problem

with transfer fees. Management companies charge a transfer fee when a home is sold. That is to cover the costs of changing their records and showing there is a new homeowner. There is a problem in the industry and I acknowledge this as I deal with management companies a lot. In conference committee last legislative session, Senator Schneider put something in that would ban these fees completely. This paragraph has now been changed to something appropriate, and the Commission can review what is an appropriate transfer fee for a management company to charge for resale packets.

I represent Sun City Summerlin, which consists of 7,000 units, and two-thirds of their members voted to amend the governing documents to have what they call a new owner reserve fee, referenced in here as an asset enhancement fee. What that means is that upon the sale of a unit, the new owner contributes $1,000 to reserves. The people on fixed incomes in my senior communities contribute less to reserves as they live there and the difference is made up on the sale. This provision would outlaw those. Sun City Aliante and Sun City Anthem, two other senior communities in Las Vegas, have similar fees. I am asking that this particular language be deleted. If homeowners want to amend their governing documents to provide for such a fee, we should leave it to them rather than micromanaging their particular situations.

Two other things have come up in discussion today. The rental restrictions, generally CC&Rs have hardship provisions. Those are generally aimed at problems such as if someone dies and the family cannot sell the unit quickly, the heirs rent it. Or if someone is called up to the military, there are exceptions to the 25-percent limit. What associations are seeing, and what has become a problem, is that a number of lenders, especially Fannie Mae and Freddie Mac, want to know there are rental limits, meaning that there are a specific number of owner-occupied units in a community before they will actually loan.

Chairman Anderson:
Is there anything in the bill you feel is absolutely essential?

Michael Schulman:
I believe the provision regarding the reserve assessments is essential. It is already the law and it is in S. B. 182 (R1). We have won two or three arbitrations. The problem we have in many communities is homeowners will not vote to do the right thing to fund reserves, and we need to give the board the ability to fund those reserves without the homeowners' votes. The use of the funds is limited and they cannot be used for anything other than reserves.

John Radocha, Private Citizen, Las Vegas, Nevada:
I want to make it clear that I do not represent anyone, nor do I serve on any board. I am a homeowner in a CIC. I really disagree with section 11 which relates to NRS 116.3102, as stated in my letter (Exhibit I). The introduction to subsection 1 says "the association may do any or all of the following..." and the one that I most particularly disagree with is paragraph (a), "adopt and amend bylaws, rules and regulations." This is giving the board of directors a blank check to do whatever they want. There is this counterargument where I have heard others come to Committee hearings and they say that homeowners have the opportunity to speak at meetings. That is true, and I have been to a lot of meetings, but the board does not pay attention to you. The board president says, "This is what I think, I am in favor, and who else is with me?" The rest of the board members raise their hands and the issue is done. The decision was made before the meeting. They met in executive session and decided the issue before the open meeting. It happens over and over. There are some good communities, so not all communities are like this.

Chairman Anderson:
I presume you have belonged to other organizations before this one. Most of them have bylaws that are established for the conduct of their associations. How would a homeowners' association be able to function if we do not give them the ability or state clearly that they have the right to make the rules for that body?

John Radocha:
It is like a blank check. After any or all of the following you could enter language stating, "Whereas the unit owners shall have use of paper proxy or ballots for these changes."

Let me give you an example: when I moved into my community, the CC&Rs said no campers or trailers above the walls. A guy moves in, gets on the board, and now you are allowed to do this. The same thing happened with commercial vehicles. They also spent $15,000 on signs and we did not know about it. Give us the chance to vote for some of this stuff.

Chairman Anderson:
Is there anyone else who would like to testify on S.B. 183 (R1)? [There were none.] I will close the hearing on S.B. 183 (R1). We will take a five-minute recess.

[Recess, the Chairman stepped out.]

Vice Chair Segerblom:
We will start the work session. The first bill is Senate Bill 35 (1st Reprint).

Senate Bill 35 (1st Reprint): Revises provisions relating to the prosecution of certain offenses. (BDR 15-272)

Jennifer M. Chisel, Committee Policy Analyst:
[Reviewed work session document (Exhibit J).] This bill was presented by the Attorney General's (AG) Office.

The Committee has two amendments to consider and may adopt only one of the two. These amendments were submitted after the hearing in response to concerns raised by Committee members. Instead of repealing *Nevada Revised Statutes* (NRS) 171.070 as the bill proposes, the Committee may choose to amend the provisions to allow prosecutions if the conviction or acquittal occurred in another country.

The first amendment is offered by the AG's Office. It would allow prosecution for offenses in another country. The second amendment offered by the Clark County Public Defender's Office allows prosecution for acts charged as offenses in another country. The distinction is whether the Committee chooses to retain Nevada's existing standard based on the “acts charged” or change Nevada's standard to “offenses.”

Vice Chair Segerblom:
My understanding is that we have three options. One is to do nothing because there is no problem that needs to be addressed, the next is to delete the word "country" so that the prohibition on prosecution does not apply to judgments in foreign countries, and the third option is to delete the word "country" and to change "acts" to "offenses."

Assemblyman Cobb:
If we are going to move this bill, we need to change the law so it reads "offenses" instead of "acts" because it more clearly defines the ability of our jurisdiction to charge for a particular offense and not necessarily be barred with the broader language of "acts." So if another jurisdiction just wants to levy a fine for something but we would want to charge a harsher penalty because it directly affected our citizens, this language would be more appropriate. This is because offenses are individual causes of action as opposed to the overall underlying action which would bar us from potentially making our citizens whole. I would support the Attorney General's amendment 1 (a).

Assemblyman Horne:
I do not have a problem taking out "country" but I still have a problem with the "acts" and "offenses" provision. An act is the element of an offense for which one is charged, and there needs to be various elements to be charged with offenses. So if we are going to move this bill at all, I am more comfortable with amendment 1(b).

Assemblywoman Parnell:
I would agree with Assemblyman Horne. The reason I prefer amendment 1(b) is because we need to capture how we can prosecute things that happen in other countries. We need to move the bill, but I have questions about double jeopardy with regards to the state part of the bill.

Assemblyman Hambrick:
I like the first amendment. I would like to look more locally again, so I will give the example of the Oklahoma City bombing. The federal authorities prosecuted one of the individuals, but the state of Oklahoma did not like the outcome, so they tried the individual and got the death penalty. Double jeopardy is not really attached to this bill; it just gives states an opportunity to review their options and see if their citizens have the right to seek other redress in their courts.

Assemblyman Ohrenschall:
I agree with Assemblyman Horne and Assemblywoman Parnell.

Assemblyman Horne:
For clarity, the Oklahoma City bombing is not a proper analogy because the State of Oklahoma charged different crimes. The federal government charged for the death of the federal employees and Oklahoma charged for the death of state citizens. We can do that today, and that is not what this bill attempts to do.

Vice Chair Segerblom:
Because the Chair is not here and because of the disparity of the membership, we will defer the vote on this bill.

Let us turn to Senate Bill 68 (1st Reprint).

Senate Bill 68 (1st Reprint): Establishes responsibility for the maintenance of certain security walls within certain common-interest communities. (BDR 10-281)

Jennifer M. Chisel, Committee Policy Analyst:
Senate Bill 68 (1st Reprint) relates to security walls and ornamental fences located in a common-interest community (Exhibit K). The bill provides that responsibility for such walls and fences will fall on common-interest communities created after October 1, 2009.

The amendment proposed by Committee members provides that responsibility for the security walls and fences will fall on common-interest communities currently in existence as well as those created after the effective date of the bill, which is October 1, 2009.

In addition to your work session document, there are some comments from Michael Buckley, the Chairman of the Commission for Common-Interest Communities and Condominium Hotels, on this bill (Exhibit L). Since the Committee did not have the opportunity to hear testimony, they were not included as formal amendments in the work session document.

Assemblyman Hambrick:
I like the legislation without the amendment. I have a problem with retroactive application, and this could really drain some of the smaller HOAs.

Assemblyman Carpenter:
I think the amendment will create problems, so I think we should pass the bill without the amendment.

[The Chairman returned and assumed the Chair.]

Chairman Anderson:
What are the consequences of making this retroactive?

Jennifer Chisel:
The amendment would make the provisions of the bill regarding security walls and fences apply to existing common-interest communities as of the effective date of the bill, October 1, 2009, as well as those created after the effective date.

The bill without the amendment would apply only to common-interest communities created after October 1, 2009.

> ASSEMBLYMAN HORNE MOVED TO AMEND AND DO PASS SENATE BILL 68 (1st REPRINT).
>
> ASSEMBLYWOMAN PARNELL SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMEN CARPENTER, GUSTAVSON, AND HAMBRICK VOTED NO. ASSEMBLYMEN COBB AND MORTENSON WERE ABSENT FOR THE VOTE.)

Chairman Anderson:
I would like to go back and pick up Senate Bill 35 (1st Reprint).

Jennifer M. Chisel, Committee Policy Analyst:
There are two amendments, one from the Attorney General's Office which would change the law to lift the bar on prosecution so it would be "offenses" committed in another country. The second amendment, by the Clark County Public Defender's Office, would allow prosecution for "acts" charged in another country. The distinction is between “acts charged” versus “offenses.”

Chairman Anderson:
I am of the opinion that we do not need this legislation. I would take it with the Clark County Public Defender's suggestions so it is more specific. The question of double jeopardy is always troublesome.

Assemblywoman Parnell:
Several of the members and I discussed the importance of the second amendment so we can begin to address the issue of criminal acts perpetrated on our citizens by those in other countries.

Chairman Anderson:
I will entertain an amend and do pass motion with the second amendment.

ASSEMBLYWOMAN PARNELL MOVED TO AMEND AND DO PASS SENATE BILL 35 (1st REPRINT) AS STATED.

ASSEMBLYMAN CARPENTER SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMAN GUSTAVSON VOTED NO. ASSEMBLYMEN COBB AND MORTENSON WERE ABSENT FOR THE VOTE.)

Chairman Anderson:
Let us turn to Senate Bill 82 (1st Reprint).

Senate Bill 82 (1st Reprint): Makes various changes relating to technological crime and the seizure of certain funds associated with prepaid or stored value cards. (BDR 14-266)

Jennifer M. Chisel, Committee Policy Analyst:
Senate Bill 82 (1st Reprint) was brought by the Attorney General's (AG) Office. The bill relates to technological crimes and proceeds on prepaid or stored value cards. During the hearing, Keith Munro of the AG's Office testified that section 2 of the bill is patterned after federal law contained in the Patriot Act and acknowledged that it is complicated and may be somewhat controversial. Because of this, he suggested that the Committee may want to delete sections 2 and 14 of the bill to retain existing law regarding disclosures from Internet service providers. He also indicated that the issue should be studied further during the interim and brought back to the 2011 Legislature. The amendment for the Committee to consider is to delete sections 2 and 14 of the bill (Exhibit M).

Chairman Anderson:
There were concerns about why school police might need this kind of broad based powers. If we are going to move the bill we will need to delete sections 2 and 14.

Assemblywoman Parnell:
With the new administration, I am wondering what kinds of overall changes we are going to be seeing to the Patriot Act. I do not know if that would give more cause to continue to look at this through the interim. I do not know if the language that we are basing the concept for this bill on will be the same two years from now.

Assemblyman Segerblom:
I am really concerned about any bill we would pass that would take away Fourth Amendment rights and the requirement for a search warrant. I have not been convinced that this bill is necessary and I do not know how it would work in application. The federal government has these powers now, so if it is a big issue we can go to them, but to just have the Las Vegas Metropolitan Police Department running around seizing funds without a warrant seems problematic.

Assemblyman Horne:
Those are some of my concerns as well. I understand about the expediency of potential movement of these funds. I think that freezing funds should be easy to do. We should allow them to be able to freeze, and then go through the appropriate channels and seize them.

Regarding section 7, where an officer has probable cause to believe that a financial institution, as the issuer of a prepaid or stored value card, is located outside of the United States and will not honor a freeze, I did not have my concerns addressed on the probable cause level that they are not going to honor the freeze.

Chairman Anderson:
It looks like we are not ready to vote on this bill at this time. I think the AG's Office raised some legitimate concerns but problems remain with the bill that need to be worked out.

Let us then turn to Senate Bill 101 (1st Reprint). You should all have a copy of Ms. Chisel's work session document (Exhibit N).

Senate Bill 101 (1st Reprint): Makes various changes relating to securities. (BDR 7-416)

Assemblyman Horne, there were some issues you raised relative to section 9, and the Secretary of State's Office submitted some amendments they are going to explain.

Carolyn Ellsworth, Administrator, Securities Division, Office of the Secretary of State:
The amendment addresses the problems that were raised by Assemblyman Horne, which were good comments, and the concerns of the Division, which would be the time constraints on getting the ex parte order from the court. We already have the subpoena power and that has been in place for quite some time, but the question is on the notice to the account holder. In the proper setting the court, through an ex parte order, can direct the financial institution to withhold notification so the money is not removed, so that during the investigation we can determine whether we need to, through a search warrant, seize the funds. For that matter, if we are concerned that notifying the target of the investigation would cause them to flee the jurisdiction and cause additional expense to the state for an extradition proceeding, we could also withhold notification under the court's express direction and oversight. That is the purpose of the amendment.

Assemblyman Horne:
That addresses my concerns.

ASSEMBLYMAN HORNE MOVED TO AMEND AND DO PASS SENATE BILL 101 (1st REPRINT).

ASSEMBLYMAN CARPENTER SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMEN COBB AND MORTENSON WERE ABSENT FOR THE VOTE.)

Chairman Anderson:
We are adjourned [at 11:36 a.m.].

RESPECTFULLY SUBMITTED:

Emilie Reafs
Committee Secretary

Katherine Malzahn-Bass
Committee Manager
Editing Secretary

APPROVED BY:

Assemblyman Bernie Anderson, Chairman

DATE:

EXHIBITS

Committee Name: Committee on Judiciary

Date: May 7, 2009 Time of Meeting: 8:32 a.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
S.B. 183 (R1)	C	Senator Schneider	Summary of S.B. 183 (R1).
S.B. 183 (R1)	D	Kevin Wallace	Proposed Amendment.
S.B. 183 (R1)	E	Michael Trudell	Proposed Amendment.
S.B. 183 (R1)	F	Michael Buckley	Prepared notes.
S.B. 183 (R1)	G	Bob Robey	Handout.
S.B. 183 (R1)	H	Michael Schulman	Letter.
S.B. 183 (R1)	I	John Radocha	Letter.
S.B. 35 (R1)	J	Jennifer Chisel	Work Session Document
S.B. 68 (R1)	K	Jennifer Chisel	Work Session Document.
S.B. 68 (R1)	L	Michael Buckley	Comments.
S.B. 82 (R1)	M	Jennifer Chisel	Work Session Document
S.B. 101 (R1)	N	Jennifer Chisel	Work Session Document