# MINUTES OF THE SENATE COMMITTEE ON JUDICIARY

# Seventy-sixth Session March 25, 2011

The Senate Committee on Judiciary was called to order by Chair Valerie Wiener at 8:15 a.m. on Friday, March 25, 2011, in Room 2149 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to the Grant Sawyer State Office Building, Room 4412, 555 East Washington Avenue, Las Vegas, Nevada. <a href="Exhibit A">Exhibit A</a> is the Agenda. <a href="Exhibit B">Exhibit B</a> is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

# **COMMITTEE MEMBERS PRESENT:**

Senator Valerie Wiener, Chair Senator Allison Copening, Vice Chair Senator Shirley A. Breeden Senator Ruben J. Kihuen Senator Mike McGinness Senator Don Gustavson Senator Michael Roberson

# **GUEST LEGISLATORS PRESENT:**

Senator Barbara K. Cegavske, Clark County Senatorial District No. 8

# STAFF MEMBERS PRESENT:

Linda J. Eissmann, Policy Analyst Bradley A. Wilkinson, Counsel Kathleen Swain, Committee Secretary

# OTHERS PRESENT:

Jeff Crampton

Sam Bateman, Clark County Office of the District Attorney; Nevada District Attorneys Association

Chuck Callaway, Director, Intergovernmental Services, Las Vegas Metropolitan Police Department

Rutt Premsrirut, Concerned Homeowners Association Members Political Action Committee

Michael Buckley

Eleissa C. Lavelle

Gail J. Anderson, Administrator, Real Estate Division, Department of Business and Industry

Kay Dwyer

Celeste Bove

Rosalyn Berman

Tim Stebbins

Professor Gary Solomon, M.P.H., M.S.W., Ph.D.

Marlene Rogoff

Rana Goodman

Jonathan Friedrich

Pamela Scott, Howard Hughes Corporation

John Radocha

Delores Bornbach

Robin Huhn, D.C.

Gary Seitz

Troy Kearns

Bob Robey

Robert Frank, Colonel, United States Air Force (Retired)

#### CHAIR WIFNER:

I will open the hearing on Senate Bill (S.B.) 376.

SENATE BILL 376: Increases the penalty for certain technological crimes. (BDR 15-1000)

SENATOR BARBARA K. CEGAVSKE (Clark County Senatorial District No. 8):

Nevada Revised Statute (NRS) 205 contains statutes for crimes against property, including unlawful acts regarding computers and information service. Nevada Revised Statute 205.477 is the subject of this measure. That statute makes it unlawful for a person to interfere with the use of a computer system or network. It is unlawful to use a computer network, telecommunication device, telecommunication service or information service without proper authorization. Both these acts are misdemeanor offenses. The misdemeanor is punishable by up to six months in the county jail or a fine up to \$1,000, or both.

Our daily lives are dependent on our access to computers and telecommunication networks. Interruptions or interferences in our use and enjoyment of these devices causes a great deal of disturbance to our personal and professional lives. Members of this Committee know misdemeanor crimes are rarely prosecuted and offenders tend to ignore them. It is time to increase the penalty to a Category E felony, which is routinely suspended to probation with up to one year in county jail or a fine up to \$5,000. A Category E felony gets the offenders' attention. A misdemeanor rarely does. Therefore, I am asking you to consider <u>S.B. 376</u> and elevate these important crimes to Category E felonies.

## **JEFF CRAMPTON:**

I am here today to share my first-hand experience of having my privacy violated and my good name defamed. I have been embarrassed and humiliated. I have been intimidated and suffered emotional distress by someone gaining unauthorized access to my e-mail accounts and cellular phone. In sharing these experiences, my hope is that this Committee will vote to amend NRS 205.477 as it has been presented to you.

The person who knowingly, willfully and without authorization gained access to my e-mail accounts and cellular phone has done so repeatedly over a period of time beginning in 2007 to the present day. I know this person. This person has relentlessly carried out a campaign of spying, intrusion and identity theft; caused loss of affection; and attempted to cause substantial financial loss by impersonating my girlfriend and business partner and interfering in employment and contract negotiations. This person is well-versed with the Internet and the use of spyware, software and online companies. These companies will supply, for a modest price, e-mail account passwords to persons for unauthorized use and cellular phone access to eavesdrop or place phone calls and read or send text messages appearing as if they had originated from someone else.

Imagine that for the last few months and even as we are sitting here, someone has secretly gained access to your personal and business e-mail accounts. Imagine this person is reading and downloading every message and the contact information of the persons you have received messages from or sent messages to. Your cellular texts are also being read. Any voice messages you may have received are being listened to by someone who wishes to cause havoc in your life, ruin your business or political career and destroy your relationships with friends, family, business associates and significant others. Imagine that as you

sit here, unspeakable e-mails, phone calls and filthy texts are being sent to everyone on your contact list by someone pretending to be you.

Although horrendous, the messages seem to be authentic to the people receiving them because they contain some tidbit of information from past correspondence that only you would know about. Old e-mails from months or even years ago stored in your e-mail account are being edited to twist the benign nature of them to look dark and sinister. They are then forwarded to look as if they were sent today. E-mails with pictures from pornographic Websites showing someone nude from the shoulders down are attached and sent from your account to all your contacts with a note from you hoping they enjoy it as much as you enjoyed sending it to them.

There are no words to describe how violated, attacked and angry you feel. Even though you had nothing to do with any of this, you must answer and defend as if you did. Those who have not gone through something like this, even your friends who know you are not responsible for such actions, have a tough time understanding what it is like to have someone do this to you. You change your e-mail addresses and phone numbers, thinking this will stop it from happening again. You confidently file police reports to find out who has done this to you and bring this person to justice. However, this is considered a nuisance in Nevada, and you probably had some responsibility in causing it because why would someone do this to you?

Law enforcement might be sympathetic to your plight but offers no remedy because none exists. Now, imagine the person who has done this to you enjoys causing you trouble, knows there is no consequence to these actions and continues to be your personal plague for the next several years.

For me, this has been going on four years. It began in the spring of 2007 and escalated until on the morning of July 3, 2008, things got outrageous. I turned on my computer and opened my e-mail account. I witnessed messages being sent by me to people on my contact list, responses coming back and both of them being deleted. I was not sending the messages, but they were written as if I had. The messages contained specific information relating to the person they were being sent to. Dozens of these messages were coming in and going out and were immediately erased by whoever was pretending to be me. If I had not been in front of my computer at the time, I would not have known it was happening. It was unsettling and frightening to watch.

I contacted AOL, closed my e-mail account and opened a new one. I sent out an e-mail to everyone on my contact list explaining the account had been hacked and any e-mails they may have received were not from me. Some of my contacts never responded. Some replied that what I had sent was so disgusting they were blocking my e-mail address so I could not contact them again. Most understood but were freaked out that someone could break into an e-mail account and do what had been done. In the next week, I received numerous copies of e-mails that were continuing to be sent to those on my contact list. These e-mails were not being sent from my address but from four or five hacked addresses belonging to people from all over the Country. The e-mails accused me of cheating and not being trustworthy. They called me names and claimed to have proof of wrongdoing on my part.

My girlfriend at the time became tired of spoof phone calls from my cell phone number. Her house was watched, and she was afraid for the safety of her two young sons. We stopped seeing each other. Over the next six months, I received threatening text messages, hundreds of hang-up phone calls, bizarre e-mails and evidence my e-mail account was constantly being hacked. By this time, I knew how it was being done but not who was doing it.

An article in the *Las Vegas Review-Journal* entitled, "Hackers Could Easily Hack Into Your Web-based E-Mail," explained how easy it is to obtain someone else's password and how to get into that person's cell phone. This told me that anyone at any time can access any e-mail account. If you Google e-mail or cell phone hacking, pages of information and advertisements from companies providing these services will pull up.

By chance, I finally discovered that a woman I had gone on one date with years ago was the culprit. With this information, I contacted law enforcement friends who paid the woman a visit and informed her I knew she was responsible and she could go to jail because her activity was illegal. Her response was, "No, it's not. Not in the State of Nevada." All through 2010, she continued to break into my phone and my e-mail accounts. She continued to send nasty e-mails and texts to my friends and clients from my e-mail address and from her e-mail addresses as well. She called and hung up in the middle of the night several times a month and enjoyed being a cyberterrorist in my world. She knew she could get away with it. There is no remedy.

I filed for and got a restraining order. However, since I did not have a current address for the constable to serve it, she was not served. By the time I had hired a private detective to find her, the order had expired. When I filed for an extension so she could be served, the extension was denied because of lack of evidence by the same judge who originally approved the order.

Between what she has done and the lack of options to legally stop her from continuing, this experience has been one of the most frustrating things I have ever dealt with. The threat of it is ever present, and I live afraid of the next time it will happen, not only for me but for any of the people I know who may be involved or hurt by it. In the last six months, I have changed my phone number three times, and I change my e-mail passwords weekly. Last month, the woman doing this sent an important potential client an e-mail from my girlfriend's e-mail address warning him not to do business with me. She told him I am not to be trusted. This could be a six-figure financial disaster for me. If I can salvage this situation, I am concerned she will eventually break into the client's e-mail and do irreparable damage.

I often see news stories about people being arrested for using the Internet to spy on or cyberbully someone. I see stories about an estranged spouse arrested for having read his wife's e-mail and invading her privacy. Stalkers are arrested for repeatedly interfering with someone's constitutional right of the pursuit of their happiness. These arrests are not made in Nevada.

I request you do what you can to create a remedy for me and anyone else having to endure this type of criminal behavior.

#### CHAIR WIENER:

Why did you request a Category E felony?

## SENATOR CEGAVSKE:

I worked with Sam Bateman from the District Attorney's Office. He worked with our legal staff to arrive at something. This was recommended to me.

SAM BATEMAN (Clark County Office of the District Attorney; Nevada District Attorneys Association):

The legislation allows for felony treatment for this activity if it is designed to defraud someone, cause them monetary loss or interfere with a public utility or public service, which is a Category C felony. This appears in section 1,

subsection 3 of the bill. Accessing or denying access to computers without authorization under subsections 1 and 2 of the bill is a misdemeanor. When I discussed this with Mr. Crampton and Senator Cegavske, we tried to come up with ideas of how we might address the problem Mr. Crampton identified.

These crimes require significant and difficult investigation. In a large jurisdiction like Clark County, law enforcement will not expend its limited resources in a significant investigation for a misdemeanor crime.

This statute, which is rarely used, could be used to address this problem. Section 1, subsection 2 of the bill addresses this issue. I suggest we might want to more specifically identify "computer" to include electronic mail or Internet access through that computer. I will leave that to the Legislative Counsel Bureau. It is probably sufficient as written.

When I discovered the situation happening to Mr. Crampton was a misdemeanor, I thought the least painful avenue, rather than creating a new statute, was to use NRS 205.477 and identify this problem as a more significant injury to a victim than a misdemeanor. A felony would be appropriate. Many people have had their e-mail hacked, and we have heard of spam.

We use our e-mail much as people used the postal service. Interfering with someone's mail is a serious offense in the federal system. It is not unreasonable to increase the penalty for accessing someone's computer without authorization to a Category E felony. We have seen a lack of interest in increasing some penalties from misdemeanors to felonies to avoid potential cost increases to the prison system. Elevating this offense to a Category E felony should avoid that. The Category E felony carries mandatory probation in most cases and would allow the court to become involved on the criminal side and take charge of people engaging in this activity.

This bill suggests changing the penalties in section 1, subsections 1 and 2 for improperly accessing or denying access to a computer system of another person.

## CHAIR WIENER:

Section 1, subsection 3, paragraph (b), says, "Caused response costs, loss, injury or other damage in excess of \$500." If Mr. Crampton loses business and can prove it, would the penalty elevate to a Category C felony?

## MR. BATFMAN:

Yes. It would elevate to a Category C felony if he had a loss. The words "attempt to cause" could be added to section 1, subsection 3, paragraph (b). That way, if someone was accessing a person's computer to attempt to cause him loss, it would be treated as a Category C felony. The victim would not get to the point where he actually lost the money. This amendment could be made to address Mr. Crampton's specific situation.

## CHAIR WIENER:

There would have to be some level of evidence. If we do amend in that language, would it create a burden because it would not be something that actually happened? Would you be comfortable with that?

## Mr. Bateman:

We would have to prove the intent of the perpetrator was to cause him loss. The hard part of the investigation is to prove a person broke into your computer and sent an e-mail saying not to do business with Mr. Crampton. That would be good evidence of intent to cause him monetary loss. That is the kind of evidence we would have to use. If it went to trial, a jury would have to believe beyond a reasonable doubt that was the person's intent.

I would be comfortable with it. Maybe it would not get to the point where he actually sustained a monetary loss. The statute has a built-in affirmative defense for the defendant. That is rare in criminal statutes. There are some safeguards and due process for the defendant.

#### SENATOR CEGAVSKE:

The e-mail sent to Mr. Crampton's potential client was recent.

CHUCK CALLAWAY (Director, Intergovernmental Services, Las Vegas Metropolitan Police Department):

We support this bill. These crimes violate people's privacy. They tend to escalate. In the beginning, they start as harassment or stalking activity. Eventually, it leads to loss and injury.

The problem with misdemeanor offenses is that resources are tight. The crimes of computer hacking require intense investigation. Sometimes, it takes months to get all the information. You must obtain court orders. You must work in cooperation with companies like Google or Yahoo. They have strict guidelines that must be met to obtain information. Often, we must have detectives who are experts in computer forensics and can capture data from a computer to track down those responsible for this. We do not commit the resources, time and effort to misdemeanor offenses.

For example, if someone is smoking a cigarette and he threw the cigarette down and punched you in the face, we would not do DNA testing on that cigarette to determine who punched you. However, if that person shot and killed you, we would invest the resources and time to get DNA and forensic evidence to track that person down.

#### CHAIR WIENER:

What is your position if we consider adding the words "caused or attempting to cause."

#### MR. CALLAWAY:

I have no objection to that. I agree the language could be tweaked in that section to help better capture the crimes, whether someone is attempting to cause it or has actually caused it. We see these crimes in domestic situations, such as a divorce. An ex-spouse may hack into a person's e-mails using spy technology to see his or her activities or his or her new relationships. These are serious offenses.

RUTT PREMSRIRUT (Concerned Homeowners Association Members Political Action Committee):

In listening to Mr. Crampton's testimony, I see cyber crimes can lead to bigger financial crimes. I bank at Wells Fargo. Its private banking department has a service where you can send out wires of money by e-mail. Someone could pretend to be me and wire large sums of money.

#### **SENATOR KIHUEN:**

Would this bill include the hacking of cell phones, such as text messages?

## Mr. Bateman:

Section 1, subsections 1 and 2 of the bill identify telecommunications device and telecommunications service. I assume that includes a telephone. We should look at the statutory scheme to see if there are definitions for these words. These definitions are not included in this statute. The plain meaning would include a telephone or cellular phone.

# BRADLEY A. WILKINSON (Counsel):

Mr. Bateman is correct. Telecommunications service and telecommunications device are not defined in statute anywhere. I think that would include a cellular phone.

## **SENATOR KIHUEN:**

I have heard of situations where a person steals a cell phone and looks at the contact list to find mom or dad. They send a text requesting the credit card. I wanted to ensure cell phones are included in the bill.

## CHAIR WIENER:

We will look at the telecommunication piece. We will tighten that up to make sure something does not slip through. I will close the hearing on  $\underline{S.B.~376}$  and open the hearing on  $\underline{S.B.~254}$ .

SENATE BILL 254: Revises provisions relating to common-interest communities. (BDR 10-264)

SENATOR ALLISON COPENING (Clark County Senatorial District No. 6): I will read from my written testimony (Exhibit C).

## MICHAEL BUCKLEY:

I am here on my own behalf and as a member of Senator Copening's working group. I am a member of the Commission for Common-Interest Communities and Condominium Hotels (CCICCH).

How do you quickly and inexpensively resolve disputes involving people who live in associations? At the Commission meetings, we hear of proceedings going on for one, two or three years.

In 1993, a group of us added language into NRS 38 saying it is better to go through arbitration than court when people have disputes involving associations

(Exhibit D). In 1997, that was not working, so the Ombudsman was created, Exhibit D, page 1. The Ombudsman was to help homeowners resolve disputes with their associations. Issues get bogged down in the bureaucracy once you get into the Ombudsman's Office.

As a result, the 2003 Legislature, at the request of Senator Michael Schneider, created the CCICCH, Exhibit D, page 1. The twist was the Commission would deal only with NRS 116 violations. It took one year to get the regulations to establish procedures enabling the Commission to hold hearings. People were required to attempt to work it out before going to the Commission. The idea was that people should not go to the Commission as their first step. In practice, that did not work, and that requirement has gone by the wayside.

A complaint filed with the Commission is a major undertaking. The cases before the Commission can last one, two or three days for a single complaint involving a violation of NRS 116. Arbitrations are no different. We strategized at the Commission regarding what we could do to speed up these processes. When the Commission was established, it was authorized by statute to provide a subsidy for arbitration, <a href="Exhibit D">Exhibit D</a>, page 2. The Commission had \$150,000 in the budget to subsidize people who were agreeable to binding arbitration. We decided to subsidize binding arbitration because we wanted to get things resolved. Unfortunately, people did not want to go to binding arbitration, and not much of that money was used.

Next, the Commission created an Administrative Law Judge (ALJ) Program, Exhibit D, page 2. We needed to focus on quick and inexpensive resolution of homeowner disputes. An annual amount of \$150,000 was budgeted. The Commission reviewed and appointed a number of administrative law judges. That process worked well for about a year. It was free, and we had good results. There was a right of appeal to the Commission. Unfortunately, the process was not authorized by statute. Attorneys discovered the Commission had no authority to do that.

Our last Ombudsman began to mediate cases. She found that when parties agreed to mediate, there was a greater than 50 percent chance the parties would resolve the dispute themselves.

The problem with the Real Estate Division mediating issues is that if there is a problem, the people with whom the Division mediates will be the plaintiff in a lawsuit against it in the future.

The argument against requiring mediation is that it adds another layer to the process. We want to require parties having disputes to get together quickly and have an opportunity to mediate. If it cannot be mediated in 60 days, it would go through the normal process. This bill does not include a method to pay for mediation. The Real Estate Division Ombudsman's account does have the \$150,000. It could be used to pay for a certain number of mediations at an agreed-upon price. Something should be in the Commission's or Ombudsman's budget to pay for mediation. This would be an inexpensive way to resolve issues quickly.

## ELEISSA C. LAVELLE:

I am an attorney with experience in representing homeowners and association boards as an arbitrator and mediator. I have seen that, notwithstanding everyone's best efforts, disputes will happen in communities. Sometimes people do not like the rules; sometimes the rules are wrong; sometimes the boards do not properly apply the rules; sometimes there are bad motives.

Nevada has been at the forefront of developing flexible and nontraditional methods of resolving community conflict through dispute resolution processes outside the court. The goal of dispute resolution processes is to maintain the integrity of the communities while preserving the fundamental rights of each homeowner.

The courts are overwhelmed with caseloads dealing with these issues. Sometimes, homeowner issues are not considered by the court to be of as great an importance as they are to the people living in the communities. A court may devote more of its resources to murder and injury cases. These issues are critically important to people living in these communities.

The initial alternative dispute resolution (ADR) process was developed so these disputes would be heard by individuals trained and experienced in community association issues. Over time, the efforts made by the Legislature and people in the industry have attempted to refine and make the process more effective. It has been an evolution. Those of us in the industry have recognized that

frequently, people do not sit down and talk with one another. They want vengeance, money or justice.

There has not been a safe way to discuss these conflicts. Whatever you say to an arbitrator will be used against you in an ultimate decision. The same is true in court and investigation. People are hesitant to speak openly to resolve issues or to bring other problems to the forefront. They are afraid they will be hurt in an investigative process if they speak openly and candidly.

There has been some confusion regarding which cases go to arbitration and which cases go to the Commission and the Real Estate Division for investigation. Senate Bill 254 is designed to refine the dispute resolution process and make it move faster with less cost than if a dispute goes to arbitration or investigation. If people are required to sit down and speak with one another early in the dispute, they will more readily have the opportunity to get cases resolved in the community.

The bill does not take away any rights to arbitrate or have an investigation conducted regarding violations of standards and NRS 116. It is not the intent of the bill to add cost to homeowners or boards. This is a less expensive way to resolve many disputes.

Mediation is sometimes confused with arbitration. Mediation is a process where an impartial third party, the mediator, assists the parties in reaching a mutually acceptable resolution of their dispute. A mediator does not decide or impose an outcome but assists the parties to communicate their positions and interests to promote understanding and reconciliation. It provides the parties with an opportunity to resolve their cases themselves rather than someone else deciding for them. If they do not reach a settlement, they can still get their matters investigated and decided through arbitration or by the Real Estate Division. The issues at that point will have been clarified and may be refined. This process will result in a quicker resolution.

Mandatory mediation has been successful in resolving disputes inside and outside the court system. Since 1997, the Nevada Supreme Court has required parties to mediate after a decision has been rendered by a judge or jury but before the appeal has been considered. I provided information showing after a judge or jury has decided a case, the mandatory mediation program has settled 53 percent of the 6,971 appeals that have gone through the program

(Exhibit E). I also obtained statistics from the Neighborhood Justice Center where disputes are resolved before any litigation (Exhibit F). They are neighborhood disputes similar to those involved in this program. With respect to those programs, 76.5 percent of more than 3,000 disputes have been resolved through settlement negotiations and mediation. The idea is to bring communities together to resolve their disputes.

## MR. BUCKLEY:

Section 1 of the bill would add a new statute to NRS 116. It sets forth a procedure where the process will be referred to mediation. Section 1, subsection 6 authorizes the Commission to pay for mediation. Subsection 7 states if the parties are unable to resolve the dispute through mediation, it goes to the Division for arbitration or proceedings through the Commission. Subsection 4 requires the mediation be completed within 60 days.

Section 2 of the bill is a conforming change. This bill did not come out as we anticipated. A number of corrections should be made. Section 3 should be deleted from the bill because it is addressed in S.B. 174 and S.B. 204.

<u>SENATE BILL 174:</u> Revises provisions relating to common-interest communities. (BDR 10-105)

SENATE BILL 204: Enacts certain amendments to the Uniform Common-Interest Ownership Act. (BDR 10-298)

Section 4 clarifies that until a formal complaint is filed, all information going to a mediator or the Division is confidential. Once a complaint is filed, the information must go to the parties in the proceeding.

Section 5 allows the Commission to impose a sanction if an appeal is filed in bad faith without reasonable cause or for purposes of delay or harassment. Sections 6, 7 and 8 are conforming changes. Section 9 deals with the confidentiality of the information.

Section 10 amends NRS 116.760. It goes through the procedure of filing a complaint with the Division. If a complaint is filed, it must include everything you have against that party at the same time so continuing claims are not filed. Section 10, subsection 7 permits the Division to consolidate multiple claims involving the same parties into one proceeding.

Section 11 addresses what the Division does once something comes back from mediation. It provides if the Division finds good cause, it would file a complaint and refer the matter to the Ombudsman or refer the respondent and claimant to the Commission. We initially considered having the respondent and claimant go directly to the Commission, but that does not make sense. Section 11, subsection 1, paragraph (c) should be deleted. The Division would not refer the respondent and claimant to a hearing before the Commission but would either go through arbitration or the process we have now.

Section 12 contains conforming changes. Section 13 permits any party to be represented by an attorney. Section 14 is a conforming change. Section 15 may be unnecessary but adds a section to NRS 38 that mirrors the process of referring to mediation. It follows section 1 of the bill. Section 16 amends certain definitions in NRS 38.300. It defines irreparable harm. Section 17 adds a violation of NRS 116 as a proper subject matter of arbitration. Presently, violations are only covered by filing a complaint under NRS 116. Section 17, subsection 1, paragraph (c) contains language indicating you could arbitrate the violation of a regulation or an order of the Commission. That should be deleted.

Section 18 spells out the procedure for arbitration proceedings, including the forms. It permits the Division to consolidate multiple claims and requires the arbitration to include all the claims against a party at the time of filing. Section 19 includes conforming changes in subsection 1 and requires the arbitrator's disclosures be in a form approved by the Commission. Subsection 3 requires the arbitration to be nonbinding unless the parties otherwise agree.

Our group proposed a provision not included in the bill. We wanted to provide the arbitration would be fast-tracked unless the parties otherwise agree. In a fast-track arbitration, limited discovery and limited motions can be filed. This would reduce the time of the arbitration and make it less expensive.

The changes in sections 20 and 21 are conforming changes. When ADR was written in 1993, the parties would enter into nonbinding arbitration. Either party could appeal the decision to the court. However, if the party who appealed did not get a more favorable award in court, the court could award the costs and attorney fees for the party who did not appeal. That has worked but is not included in the amendment. It should be included in the bill.

## CHAIR WIENER:

You mentioned earlier there is \$150,000 available. Did you mention a modest fee to the parties?

## MR. BUCKLEY:

We had \$150,000 in our budget. It is not in our budget any more because we did not use it for the subsidized arbitration. We had \$150,000 for the ALJ, but it is not there any more because it is not authorized by us. The money is in the Ombudsman's account but not in the budget. We hope that money can be used to subsidize arbitration. In foreclosures, a \$400 fee is paid to a mediator to mediate a foreclosure. It is a flat \$400 fee. We hope something like that will occur here. The Division could engage mediators at a set fee of \$400 to \$500. That is not in the bill, but it should be.

GAIL J. ANDERSON (Administrator, Real Estate Division, Department of Business and Industry):

The Real Estate Division has put a fiscal note on this bill, which already had the two-thirds majority requirement vote. There would be no cost to the claimants.

#### CHAIR WIFNER:

Ms. Lavelle testified regarding the concern about people's willingness to have this conversation for fear information they have shared may be used in an investigation or a courtroom. My concern is confidentiality. What is the remedy for a breach of confidentiality? People must have a level of confidence in the process.

## Ms. Anderson:

I was not aware of that concern. Within the Real Estate Division Ombudsman program, there is physical and functional separation between the Office of the Ombudsman, the Ombudsman conferencing program and the compliance section of this program. They are physically located on separate floors of the building. They are functionally separated by what they do. The Ombudsman's conference is confidential. Pursuant to statute, the Ombudsman wrote a summary and forwarded it with a recommendation to the investigative section. Only the recommendation of the mediator would be forwarded.

## CHAIR WIENER:

Is there a remedy if something were breached?

## Ms. Anderson:

The Real Estate Division's remedy would be the disciplinary process through the Department of Personnel, which would be strictly adhered to. We may need to consider a statement of confidentiality regarding matters discussed by those entering into mediation. We may need to consider what that penalty might be.

#### CHAIR WIENER:

I see confidentiality in two primary sections of the bill. The parties are told about the process, and the other one is the agency side. The earlier one deals with the process. They are told it is confidential. They understand the nature and enforceability of the process. I am concerned about how to ensure confidentiality. Some people lack trust that what they share will not be used against them in a later proceeding.

#### Ms. Lavelle:

I do not mean to imply the Division has breached any confidentiality. That is not my concern. The concern relates to the parties. In mediation, the disputants are advised nothing said goes beyond that room, the mediator cannot be called upon to testify, and any notes taken are to be destroyed. The parties have evidentiary limitations in disclosing what is said in mediations. Trained mediators understand information given in confidence must remain confidential. They will only disclose what each disputant wishes them to disclose. Within the scope of the resolution process, people speak candidly to the mediator with the result he or she will understand the underlying issues behind the dispute. The mediator can listen to those underlying interests and concerns without anyone being concerned about this information going outside that room.

#### CHAIR WIENER:

I was not pointing a finger at the agency. I was saying it was in two places in the bill.

#### Ms. Lavelle:

This is the benefit of a trained mediator. Confidentiality is the first thing learned in the mediation training.

## Ms. Anderson:

For claims filed under NRS 116.760, we support the mediation concept proposed in section 1 of  $\underline{S.B.}$   $\underline{254}$  with the Ombudsman for Owners in Common-Interest Communities and Condominium Hotels ( $\underline{Exhibit}$   $\underline{G}$ ). In

section 1, subsection 7, paragraph (b), subparagraph (2), I recommend deleting the statement, "... or an order of the Commission or a hearing panel." It is not appropriate to send that to an arbitrator for resolution if an order of the Commission is not fulfilled, Exhibit G, page 1.

Section 10, subsection 3 of the bill relates to the claim form the Commission will approve. Legislatively, we should add governing documents issues to claim forms that may be filed, which are not included in section 10, subsection 3 of the bill. The Ombudsman has jurisdiction to attempt to resolve governing document disputes.

Section 10, subsection 4 and subsection 6, paragraph (c), include permissive language saying the Division may charge a fee to file a claim. It is not the intent of the Division to charge for filing a claim. This process should be available and entered into as an attempt to resolve.

I have some concerns regarding section 15 of the bill. I may not have understood the intent of section 15. The Division, under NRS 38, is not serving the parties under either the arbitration or mediation process. The claimant has that responsibility. I need to understand whether this is an additional duty required of the Division, <a href="Exhibit G">Exhibit G</a>, page 2. That reoccurs in section 18, subsection 5.

I want to note the mediation with the Ombudsman does not apply to licensees. It does not apply under NRS 116A to a community manager who is a licensee. Licensees have a higher standard under the law. They perform continuing education. Managers are sometimes involved in mediations, and they were helpful in working with their boards to help them understand what the law required them to do. The mediation to resolve does not apply to a licensee.

Section 1 states the filing with the Office of the Ombudsman is intended to be mandatory. Section 1 presumes the Division will receive a written response, which in turn will be provided to the claimant. That does not happen. We should consider likewise participating in the mediation. The conferencing program was a voluntary agreement to meet with a lot of discussion and encouragement to do so by the staff in the Ombudsman's Office. If this is intended to be mandatory, how will the Division force someone to respond and participate in the mediation? Is there a penalty or enforcement? Do you want to consider giving the administrator subpoena authority for a response or subpoena

authority to appear for mediation? Subpoena authority is backed by the court, so we would have to send an attorney to court. That is a consideration because we send out a letter for response when we have investigations into compliance. We do a follow-up letter when we do not get a response. We may even do one more follow-up letter. Then, we have to subpoena a response. That is a consideration for mandatory mediation. Please consider what you would like us to do when someone does not comply.

## **SENATOR COPENING:**

In your amendments, section 10, subsections 4 and 6, you want to delete the fee to file a claim. You mention potential penalties for bad faith, frivolous filings and harassment to deter such filings, <u>Exhibit G</u>, page 1. What are those penalties and how often do you assess them?

# Ms. Anderson:

The penalties exist in the law. It is difficult to prove something is frivolous, harassing or in bad faith. However, we have that authority. A complaint would be filed under a violation of law and go to a hearing before the Commission to determine whether it has been substantiated and what the penalty would be. We have not brought a case like that, but we have looked at it as redundant in multiple complainants or unsubstantiated multiple complaints.

## **SENATOR COPENING:**

Your office would have to bring it to the Commission?

## Ms. Anderson:

Yes. It would be a claim brought by the State.

## SENATOR COPENING:

A homeowner in a large community told me a gentleman or a few people brought approximately 80 complaints against the association, the same complaints. Would you consider that to be frivolous?

## Ms. Anderson:

Yes, we would look at that. The Commission has asked for some reporting. We cannot use names or association names of multiple claims. We have a feel for the associations by the number of complaints—not necessarily from one person—from many people who have many issues in that association.

## SENATOR COPENING:

That is a concern. As I recall, the homeowners said the association had spent tens of thousands of dollars in defending those claims. I am not sure if any of them were substantiated.

## **SENATOR GUSTAVSON:**

You talked about mediators in section 1. How many mediators do we have in the Division?

#### Ms. Anderson:

These would not be Real Estate Division staff mediators. We would set qualifications, and qualified people would indicate their interest in being on the panel. The Commission would approve a panel of mediators we would draw from, and those would agree to the training. We would probably set a fee for the mediations, and the mediators would have to agree to work for that fee.

## SENATOR GUSTAVSON:

In section 1, subsection 5 of the bill, you say the mediator "... shall provide a copy of the written agreement signed by the parties to each party and to the Division." Is there a time limit? Is that included in the ten days mentioned in section 1, subsection 3, paragraph (d)?

## Ms. Anderson:

The intention was the mediation would occur within 60 days of assignment to a mediator. The mediator has a time frame to submit that to the Real Estate Division.

#### MR. BUCKLEY:

In section 1, subsection 4, the entire mediation would be concluded within 60 days. The agreement would be following that 60-day period.

## Ms. Lavelle:

During mediation, the agreement is written at the conclusion of that settlement process and signed by the parties. It does not require a lot of time to prepare and submit.

## SENATOR KIHUEN:

What does the mediator or arbitrator charge for a dispute submitted to the Ombudsman?

## MR. BUCKLEY:

Arbitration costs are set by the arbitrator, so the Real Estate Division has no control over that. The arbitrator bills a particular amount. That is one concern we have heard at the Commission. There is no reining in on arbitration fees. They can go on and on. That is one reason we hope to have the fast-track arbitration to cut down on the cost. As far as the mediation goes, we would like to see the Division contract with a group or panel of mediators who would agree to complete the entire mediation for a set fee. We have not reached the amount for that fee. Our intent would be a fixed fee.

## SENATOR KIHUEN:

If homeowners cannot afford the mediation, can they potentially lose their house to foreclosure?

## MR. BUCKLEY:

The money would be paid by the Division, not the homeowner. That is the proposal.

## Ms. Lavelle:

This has nothing to do with foreclosure of assessments. These processes have never been employed and are not a layer or responsibility of anyone with respect to payment of assessments or foreclosure. The law states you cannot foreclose someone's property for nonpayment of a penalty or a fine. Foreclosure is not an issue. It is neither a potential penalty nor anything we are addressing in this proposed legislation.

## KAY DWYER:

I am representing myself. I was a member of Senator Copening's working group. My purpose is to do some housekeeping. In section 1, subsections 1 and 3, I would like to add "5 business days." That might shorten the process. In section 10, subsection 4, I am not sure whether setting the fees is a function of the Division or the Commission. In section 8, I agree with the evidentiary support. In section 10, subsection 10, paragraph (a), I would like to have "and/or" rather than just "or." In section 15, subsections 1, 3 and 7, regarding the language "not later than 5 days," I would like it to say "5 business days." I support this legislation.

## CHAIR WIENER:

Section 1, subsection 3, paragraph (d) references "10 days." Did you overlook that?

#### Ms. Dwyer:

I probably overlooked that; "10 business days" would be appropriate there.

## CELESTE BOVE:

I will read from my written testimony (Exhibit H).

## ROSALYN BERMAN:

I support S.B. 254. I will read from my written testimony (Exhibit I).

## TIM STEBBINS:

The costs should be minimal, and I hope this bill will take care of that. I will read from my written testimony (Exhibit J).

#### CHAIR WIENER:

We have the information, and we will consider it.

## PROFESSOR GARY SOLOMON, M.P.H., M.S.W., Ph.D.:

My concern is across the board. I am a psychologist, a professor at the College of Southern Nevada, an expert witness and a researcher. There is no doubt in my mind that stress-related illnesses being caused by homeowners' associations (HOA) is real. My primary concern is none of the information in the bills relates to health risks and concerns. Individuals living in HOAs are being harmed. They are dealing with psychological and physiological-related problems.

I have written no less than four articles on the subject. The problems associated with this are extraordinary. It is worth saying that Nevada has been ranked the No. 1 state for stress. The origin of that stress is not noticed, but an enormous amount of stress is caused by HOAs and the way they treat the homeowners.

I presented this problem to my students in the classroom. I asked how many of them live in HOAs. Half of them raised their hands. I asked how many were happy with their HOAs. All of them took their hands down. I asked how many were experiencing stress and harassment from their HOAs. Half of the half put their hands up. Here is another concern. Nobody is getting the research information out to the public regarding what is going on here.

I am going to present a solution to you. We must take the solution quickly. We need to include health care professionals examining individuals who claim they are being damaged by the HOA. None of these bills include health care risks.

It is worth noting it is not just here in Nevada. It is across the Country. Some of these situations are out of hand and cause people to move out of the State or leave communities. This in turn causes foreclosure problems. The idea behind community living was to live together in harmony and peace. This has turned out to be a profit-making experience for the collection and management companies. It is tempting for many to come into the city and take this on as a new business.

## MARLENE ROGOFF:

I represent myself. I am a candidate for Mayor of Las Vegas, and I am concerned about this bill. I have been a director of a southern Nevada homeowners' association. I object to this bill because it is not as innocuous as it has been made to appear. I printed and read the entire bill.

This bill will discourage legitimate claims by homeowners, which is not good. The Ombudsman is later in the process. The Ombudsman should be first in the process. Mediation and arbitration are usually not required, but both parties must agree to participate. This is not the case in this bill.

I will address the issue of bringing a complaint many times. For example, I had a problem with board members trying to circumvent various aspects of the covenants, conditions and restrictions (CC&Rs). This has gone on since 2006. I brought this up at the meetings. I have not pursued it. I mentioned it to the previous management company, which did nothing about it. If something went on for five years, I may have brought up the same violation of the CC&Rs many times. I see that as a problem as well.

Another problem is the HOA executives can hire an attorney to appear at mediation and arbitration, and the homeowner can be held responsible for that legal bill. The homeowner may be forced to hire an attorney and incur more legal bills. I object to this bill. Should this get to that point and the homeowner does not or cannot pay the legal bill, these can become liens on the homeowner's house. Through that lien, the homeowner's home can be sold through foreclosure. This is a serious element in the bill.

## RANA GOODMAN:

Ms. Berman and Ms. Bove are wrong. I served on a board in another community when the Ombudsman's Office began. I went to the Ombudsman's Office and asked them to explain what an Ombudsman was and what the duties were. The Office explained the process was simple. If homeowners had a complaint, they wrote a letter to the board. If the board did not respond to the complaint and deal with the problem, the homeowners had a right to request a meeting with the Ombudsman. A representative from the board and the homeowners would meet with the Ombudsman. The Ombudsman would tell each party what NRS said and explain that the law says the board can or cannot do what it was attempting to do. It was settled.

I went back to my board and told them what the Ombudsman said. We were fortunate in the years I was on the board. When homeowners had a complaint, we handled it in-house.

I moved to Sun City Anthem in 2003. In the years I have lived there, our board has never agreed to the meeting with the Ombudsman. That is why I have requested you make the meeting with the Ombudsman mandatory.

Ms. Bove said if you do not like living in an HOA, move. That is not realistic today. When we bought into an HOA, we liked the idea the streets and yards would be kept nice. We agreed with the CC&Rs. It is all the rules and regulations that come after that. The boards keep adding rules, and the laws keep changing. We did not agree to that when we bought our homes. That is what homeowners find objectionable. They write to the board expressing disagreement with a rule the board has made. A problem arises when the board refuses to talk to the homeowners and discuss the issues. When homeowners and the board cannot talk, they go to the Ombudsman. It does not cost anything to sit down with the Ombudsman. If the board hires an attorney to deal with the problem, that is the board's problem, not ours. You do not need to hire an attorney to go to the Ombudsman.

Many of the same homeowners file complaints because they have issues not being addressed by the board. It should be addressed in-house, one-on-one.

# JONATHAN FRIEDRICH:

I provided you with my comments (Exhibit K). I have a number of arbitrators' decisions, which you do not have. I have one dealing with a widow who did not

maintain the shrubbery in front of her home. She was subjected to \$6,100 in violations. The association spent \$980 to trim her bushes. They submitted it to arbitration. The HOA's attorney charged \$8,500 in legal fees. The arbitrator charged \$2,091 in fees.

In the second one, the arbitrator charged \$600 an hour. His bill came out to \$23,750. This was between homeowner and homeowner over a tree. The total bill for arbitrator's fees was \$7,740, plus \$71.93 in expenses.

<u>Senate Bill 254</u> is a denial of services homeowners are paying for. We pay \$3 per door per year to have the services of the Ombudsman's Office and the Real Estate Division. That would be taken away from us.

Section 1, subsection 5 of the bill says, "... the parties are responsible for the payment of all fees and costs of mediation in the manner provided by the mediator." The mediator will set his fees. There is no cap on the mediators or arbitrators. Section 1, subsection 6 of the bill says the Division "may" provide for payment of the fees.

I dispute when Ms. Lavelle said the homeowners will get a fair shake. Based upon the Real Estate Division's statistics and documents I previously provided to you, 85 percent of the current cases go against the homeowner and usually all the arbitrator's fees and HOA attorney fees are awarded against the homeowner. The homeowner has to foot the bill.

Section 3, subsection 6 of the bill says an unpaid mediator's fees is considered a common expense, <a href="Exhibit K">Exhibit K</a>, page 2. The common expense then becomes a lien. A lien can be foreclosed. The bottom line is a homeowner taking a legitimate complaint to the Ombudsman's Office is forced or trapped into mediation and is stuck with the fees. If the homeowner does not pay the fees, he is in foreclosure. This bill should not see the light of day.

I have another solution. It is called the Neighborhood Justice Center in Clark County. In Reno, it is the Neighborhood Mediation Center. Their services are free. They are administered by the court system. Let us raise the \$3 per year fee to \$5 or \$6. Give that money to the court system, which is impartial and fair.

## CHAIR WIENER:

To respond to your concerns about section 3 and the liens, there was a recommendation to strike that entire section. It was a proposed amendment.

# MR. FRIEDRICH:

I realize that. Mr. Robey and I spent a lot of time reviewing this bill. I can only go on what is in print in front of me.

# PAMELA SCOTT (Howard Hughes Corporation):

We support this bill. The intent of the bill is to provide free mediation if possible to benefit the homeowners.

## JOHN RADOCHA:

The following is an example of living in some HOAs. Many HOA communities should be called Bastogne. Living in a lot of HOAs is like being in a war zone. One has the feeling of being surrounded by panzer tanks. Panzer 1 is the HOA clique, being favorable to board members for favors done for them with other units' money. Panzer 2 is the HOA board, also known as the untouchables or the gestapo. The kangaroo courts are where subjective NRS 116 rules are in the board's favor. The board wants you to surrender on its terms. I say no. Panzer 3 is the management company. The company sends infiltrators into Bastogne and reports all its strong points, such as cars on blocks or old tires on the side of a house. They would not report such trivial things as 1-inch weeds, a brown spot on a lawn, leaves on a driveway or a garbage can set out after 6 a.m. Panzer 4 is the collection company, also known as the high rollers. Panzer 4 expects its friends in high places to provide the legal means to be legitimate thieves. Panzer 5 is the double-priced lawyer. It is obvious to some from these hearings who gets their way with NRS 116. Panzer 6 is the arbitrator. This person has unlimited access to the candy store.

We homeowners living in Bastogne have two weapons in our arsenal. One is the Ombudsman of the Real Estate Division. We need relief from these panzers, so we fight on. However, when we fire our Ombudsman's weapons at these panzers, our shells bounce off. The second weapon we have is the Legislature. Those living in Bastogne look to the Legislature to be a General George S. Patton. We know the Legislature we voted for will have to fight to give us some relief. After coming to these hearings and reading these bills, one could say we have no General George S. Patton.

DELORES BORNBACH:

John Radocha is my friend, and he is suffering.

## ROBIN HUHN, D.C.:

<u>Senate Bill 254</u> is a biased smoke screen to discourage homeowners from filing legitimate grievances. The bill is another way for HOAs, property management companies, collection companies and HOA attorneys to make more money. In this economy, this bill is a way for HOAs, property management companies, collection companies and HOA attorneys to squeeze more money, fines and homes from homeowners as indicated in section 3, subsection 6 of the bill. Homeowners' associations, property management companies, collection companies and HOA attorneys bully homeowners to take away their constitutional rights.

I am concerned about the confidentiality issues. I am disappointed that none of the seven bills Senator Copening has presented are homeowner-friendly.

## Ms. Bornbach:

I am not a homeowner. When a homeowner alleges a wrongdoing by his or her board or management company, the person is told to contact the Ombudsman. The person hears of NRS 116 for the first time. Most homeowners do not realize NRS 116 is the law. Senate Bill 254 is complex. The terms of NRS 38 mediation and arbitration will require a complainant to hire a lawyer or face uncontrollable costs in a process beyond the comprehension of a vast number of homeowners. Nevada Revised Statute 116 was conceived to help people. Senate Bill 254 helps only the legal profession. In the bill, where is the \$1,000 fine for board members who lie to the Division?

## GARY SEITZ:

I oppose the bill. I have a question about the bill. Ms. Anderson stated the mediators and arbitrators will be trained by the Division. Regarding enforcement, they should be licensed or regulated by the Division, giving the friendly and helpful staff at the Ombudsman's Office some jurisdiction over them. I do not know if the bill contains anything regarding that.

Regarding frivolous complaints, while I was attending an Ombudsman's class, a new board president asked how to evict complainers. Homeowners should be allowed to complain. Frivolous complaints should not be allowed, but they should be proven to be frivolous.

## CHAIR WIENER:

I am looking at the Real Estate Division's fiscal note. It says mediation expenses. Does that include training?

#### Ms. Anderson:

We would do it out of that category. We used a number from what we anticipated in our budget of complaints from this year. That training includes the Office of the Attorney General.

## Mr. Premsrirut:

I oppose this bill. I could be persuaded to become neutral after I talk to Ms. Lavelle and Mr. Buckley about proposing a few amendments. One would be if a homeowner files the mediation, that should stop a foreclosure similar to mortgage foreclosures. If the parties want to skip arbitration and go directly to court, they should have that right. If one party chooses mandatory fast-track arbitration, that should be mandatory. That would result in lower costs.

I am concerned about the constitutional argument regarding the separation of the Administrative and Judicial Branches. I am concerned the CCICCH will reach over and grab judicial power. Many of these issues belong in small claims court or Judge Judy. I do not see why thousands of dollars must be spent on a lawyer for arbitration.

## CHAIR WIENER:

If you have language you would like us to consider, please provide it to our staff.

#### TROY KEARNS:

In the last four years I have sold approximately 2,000 homes in Nevada, all from foreclosure. I understand the real estate industry. We deal with a lot of the collection companies. We market properties with no HOA because it is seen as a positive if a property does not have an HOA. Senator Copening works for a management company which makes her a little biased in the way she proposes things. People making money are the ones in favor of this bill. Those with the most passion are homeowners who have no monetary interest to gain from this. Senate Bill 254 is an outlet for them to complain to an entity that does not cost them money because many people are forced into thousands of dollars in fines when they lose. My fear is that if you give more power and control to the HOAs and their management companies and less control to the homeowners, you will

make it tougher for anyone to get anything done. This is an unfair law, and I advise you to review all these bills and consider the people in the proponent status and those in opposition. The people proposing the bill have the most to gain monetarily. Those opposed are trying to protect their rights.

## **BOB ROBEY:**

I wrote to you and told you I did not understand this bill. Two Common-Interest Community Commission members live in Sun City Anthem. They were on Senator Copening's working group. Others have spoken who talked about tens of thousands of dollars and 68 percent of the claims were nothing. They admitted they got letters of instruction. We are fighting an internal community struggle in the Legislature. It is called Sun City Anthem. Senator Kihuen asked a good question. Several people have disagreed with the answer he received from the attorney. We will lose our houses under <u>Senate Bill 254</u>. The intent is to intimidate and not allow the homeowner the right to speak.

I went to the board in my association with a complaint. I put it on the agenda. When I spoke in front of the board, the members said they would answer my complaint. I could not go to the Ombudsman because they gave me a good answer. I brought another complaint forward, and they refused to answer it. If I file a complaint on that basis with the Ombudsman or the Division, how can anyone say it is frivolous? The purpose of this is a safety valve so you do not have people crying. Someone accused me of interfering in HOAs and wanting to do away with them. I am not. I am trying to help people. Senate Bill 254 must go down the tubes.

# ROBERT FRANK, COLONEL [UNITED STATES AIR FORCE (RETIRED)]:

I am retired from the United States Air Force in procurement and logistics. I have a lot of management experience. Where there is smoke, there is fire. I suggest the biggest problem in Nevada is in the largest HOAs. This bill seems to be targeted at Sun City Anthem and possibly Summerlin. What is this bill supposed to fix? I have read the bill and listened to the testimony. I come to the conclusion the problem is Sun City Anthem, not HOAs in general. I suggest you dig deeper to find out what is really going on that causes so much acrimony and dissent.

I have filed a number of affidavits with the Real Estate Division in the past four years. I have never received a satisfactory answer. There is something wrong with the system when no action is taken on legitimate concerns.

Last year, my wife ran for the board. We documented 27 statute violations and submitted 600 pages of hard evidence. Nothing has been done. It has not been dismissed, but the Division and Commission are not interested in moving it along to discover the truth. It could be solved without S.B. 254.

Few disputes in Sun City Anthem relate to architectural issues. There was one about a fence, but that is rare. Most problems in Sun City Anthem relate to policy and compliance with the statute and difficulty with a dozen or so people who will not go away when they know the board is wrong. I urge the Committee to find out what is really going on here before you enact unnecessary legislation. Senate Bill 254 might be a solution to some problems.

There is a growing mood in this Country that goes along with the idea: I am mad and will not take it any more. Competent and well-educated people are filing well-written and documented affidavits with the Division. Why has the Division not acted? Please look into that. I am suggesting you be careful about dealing with something of this nature because the unintended consequences of passing this bill will not solve the problem. It will make the problem worse.

## CHAIR WIFNER:

I will close the hearing on S.B. 254. The hearing is open for public comment.

There being nothing further to come before the Committee, we are adjourned at 10:47 a.m.

	RESPECTFULLY SUBMITTED:	
	Kathleen Swain, Committee Secretary	
APPROVED BY:		
Senator Valerie Wiener, Chair		
DATE:		

<u>EXHIBITS</u>			
Bill	Exhibit	Witness / Agency	Description
	А		Agenda
	В		Attendance Roster
S.B. 254	С	Senator Allison Copening	Written testimony
S.B. 254	D	Michael Buckley	Alternative Dispute Resolution
S.B. 254	E	Eleissa C. Lavelle	Nevada Supreme Court Settlement Program Statistics
S.B. 254	F	Eleissa C. Lavelle	Neighborhood Justice Center statistics
S.B. 254	G	Gail J. Anderson	Proposed Amendment to Senate Bill 254
S.B. 254	Н	Celeste Bove	Written testimony
S.B. 254	I	Rosalyn Berman	Written testimony
S.B. 254	J	Tim Stebbins	Written testimony
S.B. 254	K	Jonathan Friedrich	Comments and Amendments on Senate Bill 254