# MINUTES OF THE MEETING OF THE ASSEMBLY COMMITTEE ON JUDICIARY SUBCOMMITTEE

## Seventy-Seventh Session May 16, 2013

The Committee on Judiciary Subcommittee was called to order by Chairwoman Lesley E. Cohen at 7:48 a.m. on Thursday, May 16, 2013, 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 nelis.leg.state.nv.us/77th2013. 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 Lesley E. Cohen, Chairwoman Assemblyman Richard Carrillo Assemblyman Wesley Duncan Assemblywoman Michele Fiore Assemblyman Andrew Martin

#### **COMMITTEE MEMBERS ABSENT:**

None

#### **GUEST LEGISLATORS PRESENT:**

None

#### **STAFF MEMBERS PRESENT:**

Dave Ziegler, Committee Policy Analyst Brad Wilkinson, Committee Counsel Thelma Reindollar, Committee Secretary Colter Thomas, Committee Assistant



#### **OTHERS PRESENT:**

None

#### Chairwoman Cohen:

[Roll was taken. Protocol was explained.] Welcome to the sixth meeting of the Assembly Subcommittee on Judiciary, including those attending at the Grant Sawyer State Office building and listening or watching on the Internet. The Chairman of the Committee on Judiciary convened this Subcommittee to consider bills on common-interest communities and homeowners' associations.

This meeting is a work session, so we have already conducted the hearings on these bills, either as a full Committee or as the Subcommittee. The Subcommittee will consider the bills and make recommendations to the full Committee on Judiciary. We do not take testimony during the work session, but I may ask some individuals to come to the witness table to clarify certain points. Please keep in mind that the Subcommittee cannot take final action on the bill. All of our actions will be recommendations to the Chairman of the full Committee for his consideration. Let us start with Senate Bill 130 (1st Reprint).

<u>Senate Bill 130 (1st Reprint):</u> Revises provisions governing common-interest communities. (BDR 10-428)

#### **Dave Ziegler, Committee Policy Analyst:**

The first bill on the work session is <u>Senate Bill 130 (1st Reprint)</u>. It was sponsored by Senator Gustavson and heard in this Subcommittee on May 9, 2013.

<u>Senate Bill 130 (1st Reprint)</u> requires the written notice from a homeowners' association concerning an alleged violation to include: 1) specific details of the alleged violation; 2) a proposed solution to remedy the alleged violation; and 3) a clear and detailed photograph of the alleged violation, if it relates to the physical condition of the unit or the grounds or is otherwise possible to photograph.

[Mr. Ziegler read from work session document (Exhibit C).]

There were no amendments.

#### **Chairwoman Cohen:**

Are there any questions from the Committee? [There were none.] I will entertain any motions.

ASSEMBLYMAN CARRILLO MOVED TO RECOMMEND TO DO PASS SENATE BILL 130 (1ST REPRINT).

ASSEMBLYWOMAN FIORE SECONDED THE MOTION.

THE MOTION PASSED.

Mr. Ziegler, we are going to move on to Senate Bill 383 (1st Reprint).

<u>Senate Bill 383 (1st Reprint):</u> Revises provisions governing time shares. (BDR 10-916)

#### **Dave Ziegler, Committee Policy Analyst:**

Audience, we are going out of order to <u>Senate Bill 383 (1st Reprint)</u>. This bill was sponsored by Senator Parks and heard in this Subcommittee on May 9, 2013. It has to do with time shares. The measure requires a time-share developer to submit a sample public offering statement to the Real Estate Division (RED), Department of Business and Industry, as part of the application process.

[Mr. Ziegler read from work session document (Exhibit D).]

There was one amendment which was approved by the sponsor.

#### **Chairwoman Cohen:**

Does the Subcommittee have any questions or comments? [There were none.]

ASSEMBLYWOMAN FIORE MOVED TO RECOMMEND TO AMEND AND DO PASS SENATE BILL 383 (1ST REPRINT).

ASSEMBLYMAN CARRILLO SECONDED THE MOTION.

THE MOTION PASSED.

Mr. Ziegler, next bill, please.

<u>Senate Bill 280 (1st Reprint):</u> Revises provisions relating to common-interest communities. (BDR 10-863)

#### **Dave Ziegler, Committee Policy Analyst:**

The third bill is <u>Senate Bill 280 (1st Reprint)</u> which was sponsored by Senator Kihuen. It was heard in this Subcommittee on May 9, 2013. <u>Senate Bill 280 (1st Reprint)</u> establishes procedures that a homeowners' association (HOA) must follow before initiating a foreclosure on a unit or any other debt collection activity.

[Mr. Ziegler read from work session document (Exhibit E).]

There are a number of proposed amendments. On the day of the hearing, the Subcommittee received proposed amendments from Associa and RMI Management, LLC. The Subcommittee also discussed two conceptual amendments at the Subcommittee meeting.

[Mr. Ziegler continued to read from work session document (Exhibit E).]

Yesterday evening, Mr. Joe from the Legal Aid Center of Southern Nevada did submit some proposals which are not in the compiled work session documents, but they are on the Nevada Electronic Legislative Information System (NELIS) separately (Exhibit F). In his proposal, the bill would be modified to remove the right of redemption, to remove the threshold to foreclose, and to remove the mandatory requirement before a hearing. That hearing is specifically to verify the past due obligation. The requirement for the hearing would no longer be mandatory but would be upon request of the homeowner.

#### **Chairwoman Cohen:**

Thank you, Mr. Ziegler. Are there any questions or comments from the Subcommittee? [There were none.] Do I have a motion on the bill or any of the amendments? [There were none.]

#### **Assemblyman Martin:**

I am a little confused about what is being accepted or not accepted by the sponsor of the bill. If you can clarify what we are deciding on, that would be appreciated.

#### Chairwoman Cohen:

If you like, we could call Mr. Sasser up to explain the latest amendment. At this point, it is what the Subcommittee would like to recommend on any of the versions. Is there a motion? Seeing none, the Subcommittee will not be making a recommendation to the full Committee on S.B. 280 (R1).

We will now move on to public comment. Is there anyone in Carson City or in Las Vegas who would like to make a public comment? Seeing none, thank you. This meeting is adjourned at [7:59 a.m.].

[Exhibit G) and (Exhibit H) were submitted but not mentioned.]

|   | RESPECTFULLY SUBMITTED:                  |
|---|--|
|   | Thelma Reindollar<br>Committee Secretary |
| APPROVED BY:                              |  |
|   |  |
| Assemblywoman Lesley E. Cohen, Chairwoman | _  |
| DATE:                                     |  |

### **EXHIBITS**

Committee Name: Committee on Judiciary

Date: May 16, 2013 Time of Meeting: 7:48 a.m.

| Bill                | Exhibit | Witness / Agency                                    | Description  |
|---------------------|---------|---|--|
|                     | Α       |   | Agenda   |
|                     | В       |   | Attendance Roster                                    |
| S.B.<br>130<br>(R1) | С       | Dave Ziegler, Committee Policy<br>Analyst           | Work Session Document                                |
| S.B.<br>383<br>(R1) | D       | Dave Ziegler, Committee Policy<br>Analyst           | Work Session Document                                |
| S.B.<br>280<br>(R1) | E       | Dave Ziegler, Committee Policy<br>Analyst           | Work Session Document                                |
| S.B.<br>280<br>(R1) | F       | Michael Joe, Legal Center Center of Southern Nevada | Amendment  |
| S.B.<br>280<br>(R1) | G       | Submitted but not mentioned                         | Real Estate Division<br>Comments by Gail<br>Anderson |
| S.B.<br>280<br>(R1) | Н       | Submitted but not mentioned                         | Opposition by Jon Jentz                              |