

**MINUTES OF THE
SENATE SUBCOMMITTEE ON JUDICIARY**

**Seventy-Eighth Session
February 23, 2015**

The Senate Subcommittee on Judiciary was called to order by Chair Greg Brower at 1 p.m. on Monday, February 23, 2015, in Room 2134 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Greg Brower, Chair
Senator Becky Harris, Vice Chair
Senator Michael Roberson
Senator Scott Hammond
Senator Ruben J. Kihuen
Senator Tick Segerblom
Senator Aaron D. Ford

STAFF MEMBERS PRESENT:

Patrick Guinan, Policy Analyst
Nick Anthony, Counsel
Lynn Hendricks, Committee Secretary
Cassandra Grieve, Committee Secretary

OTHERS PRESENT:

Randolph Watkins, CEO, Complete Association Management Company
John Leach, Leach Johnson Song & Gruchow

Chair Brower:

I will open the Subcommittee on Judiciary. We will hear testimony on Senate Bill (S.B.) 154.

SENATE BILL 154: Revises provisions relating to common-interest communities.
(BDR 10-725)

Senator Becky Harris (Senatorial District No. 9):

Senate Bill 154 adds provisions to *Nevada Revised Statutes* (NRS) 116A regarding the renewal of certificates for common-interest community (CIC) managers.

Provisions we seek to add on page 3, line 24, of the bill address the Commission for Common-Interest Communities and Condominium Hotels (CCICCH) of the Real Estate Division. The CCICCH adopts regulations that establish the qualifications necessary for community managers to renew their certificates.

This bill specifies that the CCICCH must adopt regulations for the renewal of certificates, including regulations to satisfy the continuing education requirements.

This bill requires certificates be renewed biennially and sets the required number of continuing education hours necessary for renewal. Senate Bill 154 maintains that renewal can be satisfied by observing disciplinary hearings conducted by the CCICCH, a mediation or an arbitration that arises from a claim within the Real Estate Division's jurisdiction. Observation would require permission from the private parties involved.

It is difficult for CIC managers to obtain necessary credit hours to renew their licenses, specifically the requirement for credit hours pertaining to legal issues. There is a significant lack of such courses available in Nevada for CIC managers.

At the same time, CIC managers have found great value in attending disciplinary hearings, mediation or arbitration hearings because many of the issues heard are addressed routinely. By observing such meetings, CIC managers have an opportunity to view the process from two different perspectives: from the person who has the problem and from the person who is not cooperating.

There is great value in CIC managers observing legal proceedings because when they perform their responsibilities, they have context for the common issues that regularly arise. Experiencing these hearings will also give CIC managers methods and mechanisms by which they can deal with challenges.

The CCICCH requires 18 hours of continuing education for renewal. Of those 18 hours, 3 hours must be in a subject designated by the Real Estate Division as

outlined in NRS 116 and *Nevada Administrative Code* (NAC) 116. The other 15 hours can be completed by taking courses preapproved by the CCICCH.

Senate Bill 154 allows CIC managers to use 5 of those hours getting first-hand experience with disciplinary hearings and arbitrations. This experience would be a valuable component in the education of CIC managers, making them better able to fulfill their responsibilities.

Randolph Watkins (CEO, Complete Association Management Company):

I am a licensed community manager and supervisory community manager. I am a member and former chair of the CCICCH. The Complete Association Management Company is in favor of S.B. 154. We have submitted a proposed amendment that makes two changes to the bill ([Exhibit C](#)).

Community managers are in favor of this bill. Several organizations in the greater Las Vegas area deal with community management. The Community Associations Institute is one organization that supports this bill as well as the amendment we submitted, [Exhibit C](#). The Southern Nevada Homebuilders Association also supports this bill and the amendment, [Exhibit C](#).

During the time I conducted hearings as a commissioner of the CCICCH, I frequently witnessed how having CIC managers observe disciplinary hearings and observe the general business of the Division was a great way to educate on the application of NRS 116 and NAC 116.

John Leach (Leach Johnson Song & Gruchow):

I have practiced law in Nevada for almost 30 years and most of that time has been spent with common-interest communities and homeowners' associations.

I am approved by the Real Estate Division to instruct community association management classes, whether for the original certification, which requires 60 hours, or the continuing education certificate, which is 18 hours.

As Senator Harris pointed out, we have a concern over the classes available with regard to the continuing education portion, particularly in the area of law.

We teach what we call a legislative update. At the end of every Legislative Session, a legislative update course is normally taught in July and made available in both the north and the south. The course is sometimes made

available another time in the year. Other than this legislative update course, a dearth of law classes are available for recertification. We believe the amendment, [Exhibit C](#), would address this.

It is one thing to learn about changes in the law but another to see those changes in action. Observing disciplinary hearings or attending alternative dispute resolution meetings is great education for CIC managers in the area of law.

The proposed amendment, [Exhibit C](#), only has two components. The first component clarifies that those hours we mentioned here would satisfy the Division's requirement for law credits. The second component ensures the bill allows for not only attendance at mediation and arbitration hearings but also for any dispute resolution program created by the Division, such as the new referee program. We believe this proposed amendment refines S.B. 154.

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Chair Brower:

I adjourn the meeting at 1:11 p.m.

RESPECTFULLY SUBMITTED:

Cassandra Grieve,
Committee Secretary

APPROVED BY:

Senator Greg Brower, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit		Witness or Agency	Description
	A	1		Agenda
	B	1		Attendance Roster
S.B. 154	C	1	Randolph Watkins	Proposed Amendment