Amendment No. 612

Senate Amendment to Senate Bill No. 256	(BDR 10-569)						
Proposed by: Senate Committee on Commerce and Labor							
Amendment Box: Replaces Amendment No. 477.							
Amends: Summary: Yes Title: Yes Preamble: No Joint Sponsorship: No	Digest: Yes						

ASSEMBLY	ACT	TION	Initial and Date	SENATE ACTIO	ΟN	Initial and Date
Adopted		Lost		Adopted	Lost	
Concurred In		Not	1	Concurred In	Not	□
Receded		Not	1	Receded	Not	

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of <u>green bold underlining</u> is language proposed to be added in this amendment; (3) <u>red strikethrough</u> is deleted language in the original bill; (4) <u>purple double strikethrough</u> is language proposed to be deleted in this amendment; (5) <u>orange double underlining</u> is deleted language in the original bill proposed to be retained in this amendment.

BAW/BJE Date: 4/22/2019

S.B. No. 256—Revises provisions relating to discrimination in housing and various provisions relating to landlords and tenants. (BDR 10-569)

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SENATE BILL NO. 256–SENATORS CANCELA, SPEARMAN, RATTI, PARKS; HARRIS, OHRENSCHALL, SCHEIBLE AND WOODHOUSE

MARCH 11, 2019

Referred to Committee on Commerce and Labor

SUMMARY—Revises [provisions relating to discrimination in housing and] various provisions relating to landlords and tenants. (BDR 10-569)

FISCAL NOTE: Effect on Local Government: No.

Effect on the State: No.

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EXPLANATION - Matter in bolded italics is new; matter between brackets [omitted material] is material to be omitted.

AN ACT relating to housing; [revising provisions relating to the return of security deposits; limiting the amount of fees for late rent; revising provisions relating to the recovery of damages by a tenant for a landlord's failure to maintain a dwelling unit in a habitable condition; requiring a landlord to allow a former tenant to retrieve essential personal effects and establishing an expedited procedure if a landlord acts unreasonably under such circumstances; authorizing a tenant to take certain actions if a landlord abuses the right of access to a dwelling unit or uses that right to harass the tenant; making various other changes to provisions relating to housing; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law, commonly referred to as the Nevada Fair Housing Law, prohibits discrimination in housing, including discrimination when selling or renting a dwelling on the basis of race, religious creed, color, national origin, disability, sexual orientation, gender identity or expression, ancestry, familial status or sex. (NRS 118.010-118.120) Section 1 of this bill also prohibits such discriminatory practices on the basis that the income of a person is derived from governmental benefits.

Existing law prohibits certain acts and practices relating to discrimination in housing on the basis of race, religious creed, color, national origin, disability, sexual orientation, gender identity or expression, ancestry, familial status or sex. (NRS 118.100) Section 2 of this bill further prohibits discrimination in such acts and practices on the basis that the income of person is derived from governmental benefits. In addition, section 2 prohibits a person from refusing to rent a dwelling in a low-income housing project or qualified low-income housing project to an applicant because the applicant has a previous history of an inability to pay rent.]

Existing law defines certain terms used in chapter 118A of NRS, otherwise known as the Residential Landlord and Tenant Act. (NRS 118A.030-118A.170) **Sections 5, 6 and 9** of this bill add new definitions and revise certain existing definitions, and **sections 3**, [11-14,] 12-14, 16, 18, 19 and 23 of this bill make conforming changes.

Existing law establishes the manner in which a landlord may receive a security deposit or surety bond, or combination thereof to secure a rental agreement. Existing law further

provides the manner in which the landlord may deduct money from the security deposit or surety bond. (NRS 118A.242) **Section 7** of this bill allows a tenant, upon termination of a rental agreement, to request an initial inspection of the premises by the landlord so that the tenant has an opportunity to remedy any deficiency that may otherwise cause a deduction in the security deposit or from the surety bond. In addition, **section 7** allows a tenant who requests an initial inspection to request a final inspection within $\frac{13}{21}$ days after vacating the premises and receive a statement of any deficiencies. Existing law requires the return of the security deposit within 30 days and makes a landlord liable for certain amounts for failing to return the security deposit within that period. (NRS 118A.242) **Section 11** of this bill reduces that to $\frac{141}{21}$ days after termination of the tenancy. $\frac{1}{21}$, or within 5 days after a final inspection pursuant to section 7, whichever is earlier.] **Section 21** of this bill requires tenants to be given information about these new provisions relating to inspections.

Section 10 of this bill [authorizes a landlord to charge a reasonable late fee for the late payment of rent, but prohibits imposition until 3 days after rent is due and limits the maximum amount that may be imposed for a late fee to not more than 5 percent of the periodic rent.] provides that notwithstanding any provision in a rental agreement to the contrary, all payments from a tenant must be applied first to any outstanding rent unless, at the time of making a specific payment, the tenant requests otherwise in writing.

Existing law requires a tenant who seeks to recover damages from a landlord who has failed to maintain the dwelling unit in a habitable condition to first give written notice to the landlord specifying each condition constituting the failure to maintain the dwelling unit in a habitable condition and requesting that the landlord remedy that condition. Such notice is not required if: (1) the landlord admits to the court that the landlord had knowledge of the condition; or (2) the landlord received written notice from a governmental agency regarding the condition. Existing law also allows the tenant to withhold rent from the landlord until the landlord has remedied the condition, but requires the tenant to deposit the withheld rent into an escrow account as a condition of raising the landlord's failure to remedy the condition as a defense to an eviction. (NRS 118A.355) Section 15 of this bill also allows the tenant to recover such damages under such circumstances without giving prior written notice to the landlord if the tenant proves to the court that the landlord had actual knowledge of the condition constituting the failure to maintain the dwelling unit in a habitable condition. [Section 15 also clarifies that a tenant who is seeking to recover actual damages from a landlord who has failed to maintain the dwelling unit in a habitable condition may raise a defense to an eviction without depositing the withheld rent into an escrow account.]

Existing law prohibits a tenant from unreasonably withholding consent for the landlord to enter the dwelling unit to inspect the premises, make repairs, alterations or improvements, supply necessary or agreed services or exhibit the dwelling unit to persons with an interest in inspecting the premises. Existing law also authorizes the landlord to enter the dwelling unit without consent of the tenant in an emergency and prohibits the landlord from abusing the right of access or using it to harass the tenant. (NRS 118A.330) Existing law also authorizes a tenant to take certain actions, such as recovering immediate possession, terminating the rental agreement and recovering damages, if the landlord: (1) unlawfully removes the tenant from the premises or excludes the tenant by blocking or attempting to block the tenant's entry upon the premises; (2) willfully interrupts or causes or permits the interruption of any essential item or service required by the rental agreement or the Residential Landlord and Tenant Act; or (3) unlawfully recovers possession of the dwelling unit. (NRS 118A.390) Section 17 of this bill authorizes the tenant to take such actions if the landlord abuses the right of access to the dwelling unit or uses that right to harass the tenant.

Existing law sets forth a procedure for a landlord to dispose of personal property abandoned on the premises by a former tenant or left on the premises after eviction of the tenant without incurring civil or criminal liability. (NRS 118A.460) **Section 20** of this bill requires a landlord, during the 5-day period following the eviction or lockout of a tenant, to provide the former tenant a reasonable opportunity to retrieve essential personal effects from the premises. **Section 22** of this bill establishes an expedited procedure for a former tenant to retrieve essential personal effects if a landlord acts unreasonably in providing access to the former tenant to retrieve essential personal effects.

Existing law prohibits a landlord from refusing to accept rent from a tenant submitted after the landlord or the landlord's agent serves notice requiring payment of the rent or surrender of the premises if the refusal is based on the fact that the tenant has not paid

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collection fees, attorney's fees or other costs other than rent, a reasonable charge for late payments of rent or dishonored checks, or a security. (NRS 40.253) **Section 22** prohibits a landlord from refusing to accept rent under such circumstances if the refusal is based on the fact that the tenant has not paid any amount that does not constitute rent.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. [NRS-118.020 is hereby amended to read as follows:

- 118.020 1. It is hereby declared to be the public policy of the State of Nevada that all people in the State have equal opportunity to inherit, purchase, lease, rent, sell, hold and convey real property without discrimination, distinction or restriction because of race, religious creed, color, national origin, disability, sexual orientation, gender identity or expression, ancestry, familial status, [or] sex [.] or income derived from governmental benefits.
- 2. Nothing in this chapter shall be deemed to render enforceable a conveyance or other contract made by a person who lacks the capacity to contract.
- 3. As used in this section, "income derived from governmental benefits" means any money or other benefits received pursuant to any federal, state or local governmental program or service.] (Deleted by amendment.)
 - Sec. 2. [NRS-118-100 is hereby amended to read as follows:
- 118.100 I. A person shall not, because of race, religious creed, color, national origin, disability, sexual orientation, gender identity or expression, ancestry, familial status, [or] sex [:] or income derived from governmental benefits:
- [1.] (a) Refuse to sell or rent or refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny, a dwelling to any person.
- [2.] (b) Discriminate against any person in the terms, conditions or privileges of sale or rental of a dwelling, including the amount of breakage or brokerage fees, deposits or other undue penalties, or in the provision of services or facilities in connection therewith.
- [3.] (c) Make, print or publish, or cause to be made, printed or published, any notice, statement or advertisement with respect to the sale or rental of a dwelling that indicates any preference, limitation or discrimination, or an intention to make any preference, limitation or discrimination. As used in this [subsection,] paragraph, "dwelling" includes a house, room or unit described in subsection 2 or 3 of NRS 118.060.
- [4.] (d) Represent to any person because of race, religious creed, color, national origin, disability, sexual orientation, gender identity or expression, ancestry, familial status or sex that any dwelling is not available for inspection, sale or rental when the dwelling is in fact so available.
- [5.] (e) For profit, induce or attempt to induce any person to sell or rent any dwelling by representations regarding the entry or prospective entry into the neighborhood of a person of a particular race, religious creed, color, national origin, disability, sexual orientation, gender identity or expression, ancestry, familial status or sex.
- [6.] (f) Coerce, intimidate, threaten or interfere with any person in the exercise or enjoyment of, or on account of that person having aided or encouraged any other person in the exercise or enjoyment of, any right granted or protected in this chapter.

- 1 2. A person shall not refuse to rent a dwelling in a low-income housing project or qualified low-income housing project to an applicant because the applicant has a prior history of an inability to pay rent.

 3. As used in this section:
 - (a) "Income derived from governmental benefits" means any money or other benefits received pursuant to any federal, state or local governmental program or service.
 - (b) "Low-income housing project" has the meaning ascribed to it in 42 U.S.C. § 1437a(b)(1).
 - (e) "Qualified low income housing project" has the meaning ascribed to it in 26 U.S.C. § 42(g).] (Deleted by amendment.)
 - **Sec. 3.** NRS 118.101 is hereby amended to read as follows:
 - 118.101 1. A person may not refuse to:

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- (a) Authorize a person with a disability to make reasonable modifications to a dwelling which he or she occupies or will occupy if:
 - (1) The person with the disability pays for the modifications; and (2) The modifications are necessary to ensure that the person with the
- disability may use and enjoy the dwelling; or

 (b) Make reasonable accommodations in rules, policies, practices or services if
- those accommodations are necessary to ensure that the person with the disability may use and enjoy the dwelling.
- 2. A landlord may, as a condition for the authorization of such a modification, reasonably require the person who requests the authorization, upon the termination of his or her occupancy, to restore the dwelling to the condition that existed before the modification, reasonable wear and tear excepted.
- 3. Except as otherwise provided in subsection 4, a landlord may not increase the amount of *a* security *deposit* the landlord customarily requires a person to deposit because that person has requested authorization to modify a dwelling pursuant to subsection 1.
- 4. If a person requests authorization to modify a dwelling pursuant to subsection 1, the landlord may require that person to deposit [a reasonable amount of] a security deposit in addition to the [amount] security deposit the landlord usually requires if the additional [amount:] security deposit:
- (a) Is necessary to ensure the restoration of the dwelling pursuant to subsection 2:
 - (b) Does not exceed the actual cost of the restoration; and
- (c) Is deposited by the landlord in an interest-bearing account. Any interest earned on the additional amount must be paid to the person who requested the authorization.
- 5. As used in this section, "security [23] deposit" has the meaning ascribed to it in [NRS_118A.240.] section 6 of this act.
- **Sec. 4.** Chapter 118A of NRS is hereby amended by adding thereto the provisions set forth as sections 5, 6 and 7 of this act.
 - Sec. 5. "Periodic rent" means:
- 1. For a tenancy for a fixed term or a tenancy on a month to month basis, the amount of money payable each month;
- 2. For a tenancy on a week to week basis, the amount payable each week; and
- 3. For a tenancy on an annual basis, the amount payable annually divided by 12.
- Sec. 6. <u>1.</u> "Security deposit" means [an amount of money] any payment, deposit, fee or charge paid in cash, by check or other acceptable manner to a landlord [to secure payment or performance of a tenant's obligations under a

lease or this chapter and any interest or other identifiable proceeds from that amount.] for any of the following purposes:

(a) Remedying any default of the tenant in the payments of rent.

(b) Repairing damage to the premises other than normal wear caused by the tenant.

(c) Cleaning the dwelling unit.

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2. The term does not include frent or nonrefundable fees, including any amount payable by a tenant to a landlord which the landlord has no obligation to account for or return to the tenant, except if the landlord does not deliver physical possession of the dwelling unit to the tenant as required pursuant to this chapter.] any payment, deposit or fee to secure an option to purchase the premises.

Sec. 7. 1. Except as otherwise provided in subsection 6, not later than 5 days after either party to a rental agreement gives notice of an intent to terminate the tenancy, the tenant may request, in writing, an initial inspection of the premises to allow the tenant an opportunity to remedy any deficiency that would otherwise cause a deduction from the security deposit or surety bond, or combination thereof, as applicable.

2. Upon receipt of a request for an initial inspection pursuant to subsection 1, but not sooner than 2 weeks before the date of the termination of the tenancy, the landlord shall conduct or provide for the initial inspection of the premises at a date and time that is mutually agreed upon. The tenant has the right to be present

during the initial inspection.

3. Upon completion of the initial inspection, the landlord shall provide the tenant with an itemized statement of each deficiency identified during the initial inspection and the action necessary to avoid incurring a deduction from the security deposit or surety bond, or combination thereof, as applicable. If the tenant is present during the initial inspection, the landlord shall provide the statement to the tenant at that time. If the tenant is not present during the initial inspection, the landlord shall leave the statement on the premises in a location that is likely to be seen by the tenant upon his or her return.

4. Upon receipt of an itemized statement pursuant to subsection 3, except as otherwise provided in this subsection, the tenant may take any action necessary to remedy a deficiency identified in the statement in a manner consistent with the rights and obligations of the parties under the rental agreement. The tenant shall not take any action to remedy a deficiency relating to a mechanical, electrical or plumbing system the repair of which requires professional licensure to perform.

- 5. A tenant who requests an initial inspection pursuant to subsection 1 may request a final inspection of the premises which must be conducted not later than [3] 21 days after the tenant vacates the premises. [If there are no deficiencies identified during the final inspection, the landlord shall return the full amount of the security deposit to the tenant in accordance with NRS 118A.242. If a deficiency is identified during the final inspection, the landlord shall provide the tenant an itemized statement of each deficiency and the amount to be withheld to resolve the deficiency from the security deposit or surety bond, or combination thereof, as applicable, and the amount to be returned after deducting such amounts as set forth in NRS 118A.242.]
 - 6. The provisions of this section [do]:
- (a) Do not apply to a tenant who vacates the premises pursuant to an order for removal or a writ of restitution.
- (b) Must not be construed to preclude a landlord from making a deduction from the security deposit or surety bond, or combination thereof, as applicable,

 for a deficiency that was not reasonably observable during an initial or final inspection of the premises conducted pursuant to this section.

7. As used in this section, "deficiency" means any damage to the premises caused by the tenant other than normal wear and includes, without limitation, necessary cleaning and repairs to the premises.

Sec. 8. NRS 118A.020 is hereby amended to read as follows:

118A.020 As used in this chapter, unless the context otherwise requires, the terms defined in NRS 118A.030 to 118A.170, inclusive, *and sections 5 and 6 of this act* have the meanings ascribed to them in those sections.

Sec. 9. NRS 118A.150 is hereby amended to read as follows:

118A.150 "Rent" means [all periodic payments to be made to the landlord for occupancy of] a payment for the right to possess a dwelling unit. [, including, without limitation, all reasonable and actual late fees set forth in the rental agreement.] The term does not include a security deposit, service fees, notice fees, collection fees, damages, costs for repairs, attorney's fees, late fees or other nonrefundable fees.

Sec. 10. NRS 118A.210 is hereby amended to read as follows:

118A.210 1. Rent is payable without demand or notice at the time and place agreed upon by the parties.

- 2. Unless the rental agreement establishes a definite term, the tenancy is from week to week in the case of a tenant who pays weekly rent and in all other cases the tenancy is from month to month.
 - 3. In the absence of an agreement, either written or oral:
 - (a) Rent is payable at the beginning of the tenancy; and
- (b) Rent for the use and occupancy of a dwelling is the fair rental value for the use and occupancy.
- 4. [A landlord may charge a reasonable late fee for the late payment of rent as set forth in the rental agreement, but:
- (a) Such a late fee must not be charged until 3 days after the rent is due and must not exceed 5 percent of the amount of the periodic rent; and
- (b) The maximum amount of the late fee must not be increased based upon a late fee that has previously been imposed.] Notwithstanding any provision in a rental agreement to the contrary, all payments from a tenant must be applied first to any outstanding rent unless, at the time of making a specific payment, the tenant requests otherwise in writing.

Sec. 11. NRS 118A.242 is hereby amended to read as follows:

- 118A.242 1. The landlord may not demand or receive *a* security *deposit* or a surety bond, or a combination thereof, including the last month's rent, whose total amount or value exceeds 3 months' periodic rent.
- 2. In lieu of paying all or part of the security *deposit* required by the landlord, a tenant may, if the landlord consents, purchase a surety bond to secure the tenant's obligation to the landlord under the rental agreement to:
 - (a) Remedy any default of the tenant in the payment of rent.
 - (b) Repair damages to the premises other than normal wear and tear.
 - (c) Clean the dwelling unit.
 - 3. The landlord:
- (a) Is not required to accept a surety bond purchased by the tenant in lieu of paying all or part of the security [+] deposit; and
- (b) May not require a tenant to purchase a [security] surety bond in lieu of paying all or part of the security [-] deposit.
- 4. Upon termination of the tenancy by either party for any reason, the landlord may claim of the security *deposit* or surety bond, or a combination thereof, only such amounts as are reasonably necessary to remedy any default of the tenant

in the payment of rent, to repair damages to the premises caused by the tenant other than normal wear and to pay the reasonable costs of cleaning the premises. The landlord shall provide the tenant with an itemized, written accounting of the disposition of the security *deposit* or surety bond, or a combination thereof, *as applicable*, and return any remaining portion of the security *deposit* to the tenant on later than [30-14] 21 days after the termination of the tenancy for 5 days after a final inspection is conducted pursuant to section 7 of this act, whichever is earlier, 1 by handing it to the tenant personally at the place where the rent is paid, or by mailing it to the tenant at the tenant's present address or, if that address is unknown, at the tenant's last known address.

- 5. If a tenant disputes an item contained in an itemized, written accounting received from a landlord pursuant to [subsection]:
- (a) Subsection 4 for section 7 of this act, the tenant may send a written response disputing the item to the surety. If the tenant sends the written response within 30 days after receiving the itemized, written accounting, the surety shall not report the claim of the landlord to a credit reporting agency unless the surety obtains a judgment against the tenant.
- (b) Section 7 of this act, the tenant may petition the court for recovery of the damages described in paragraphs (a) and (b) of subsection 6.
- 6. If the landlord fails or refuses to return the remainder of a security deposit within [30] 21 days after the end of a tenancy, [the period required pursuant to subsection 4 or if the landlord fails to comply with the provisions of section 7 of this act relating to an initial inspection or final inspection,] the landlord is liable to the tenant for damages:
 - (a) In an amount equal to the entire *security* deposit; and
- (b) For a sum to be fixed by the court of not more than the amount of the entire security deposit.
- 7. In determining the sum, if any, to be awarded under paragraph (b) of subsection 6, the court shall consider:
 - (a) Whether the landlord acted in good faith;
 - (b) The course of conduct between the landlord and the tenant; and
 - (c) The degree of harm to the tenant caused by the landlord's conduct.
- 8. Except for an agreement which provides for a nonrefundable charge for cleaning, in a reasonable amount, no rental agreement may contain any provision characterizing any security *deposit* under this section as nonrefundable or any provision waiving or modifying a tenant's rights under this section. Any such provision is void as contrary to public policy.
- 9. The claim of a tenant to *a* security *deposit* to which the tenant is entitled under this chapter takes precedence over the claim of any creditor of the landlord.
 - **Sec. 12.** NRS 118A.244 is hereby amended to read as follows:
- 118A.244 1. Upon termination of the landlord's interest in the dwelling unit, whether by sale, assignment, death, appointment of receiver or otherwise, the landlord or his or her agent shall, within a reasonable time, do one of the following, which relieves the landlord of further liability with respect to the security *deposit* or surety bond, or a combination thereof:
- (a) Notify the tenant in writing of the name, address and telephone number of the landlord's successor in interest, and that the landlord has transferred to his or her successor in interest the portion of the security *deposit* or surety bond, or combination thereof, remaining after making any deductions allowed under NRS 118A.242.
- (b) Return to the tenant the portion of the security *deposit* remaining after making any deductions allowed under NRS 118A.242.

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- → The successor has the rights, obligations and liabilities of the former landlord as to any securities which are portion of the security deposit owed under this section or NRS 118A.242 at the time of transfer.
- 2. The landlord shall, before he or she records a deed transferring any dwelling unit:
- (a) Transfer to his or her successor, in writing, the portion of any tenant's security deposit or other money held by the landlord which remains after making any deductions allowed under NRS 118A.242; or
- (b) Notify his or her successor in writing that the landlord has returned all such *security* deposits or portions thereof to the tenant.
- 3. Upon the termination of a landlord's interest in the dwelling unit, whether by sale, assignment, death, appointment of receiver or otherwise, the successor in
- (a) Shall accept the tenant's security *deposit* or surety bond, or a combination thereof; and
- (b) Shall not require any additional security deposit or surety bond, or a combination thereof, from the tenant during the term of the rental agreement.
 - **Sec. 13.** NRS 118A.250 is hereby amended to read as follows:
- 118A.250 The landlord shall deliver to the tenant upon the tenant's request a signed written receipt for the security deposit or surety bond, or a combination thereof, and any other payments, deposits or fees, including rent, paid by the tenant and received by the landlord. The tenant may refuse to make rent payments until the landlord tenders the requested receipt.
 - **Sec. 14.** NRS 118A.350 is hereby amended to read as follows:
- 118A.350 1. Except as otherwise provided in this chapter, if the landlord fails to comply with the rental agreement, the tenant shall deliver a written notice to the landlord specifying the acts and omissions constituting the breach and stating that the rental agreement will terminate as provided in this section. If the breach is remediable and the landlord adequately remedies the breach or uses his or her best efforts to remedy the breach within 14 days after receipt of the notice, the rental agreement does not terminate by reason of the breach. If the landlord fails to remedy the breach or make a reasonable effort to do so within the prescribed time, the tenant may:
 - (a) Terminate the rental agreement immediately.
 - (b) Recover actual damages.
- (c) Apply to the court for such relief as the court deems proper under the circumstances.
- 2. The tenant may not terminate the rental agreement for a condition caused by the tenant's own deliberate or negligent act or omission or that of a member of his or her household or other person on the premises with his or her consent.
- 3. If the rental agreement is terminated, the landlord shall return all prepaid rent and *any* security *deposit* recoverable by the tenant under this chapter.
- 4. A tenant may not proceed under this section unless the tenant has given notice as required by subsection 1, except that the tenant may, without giving that notice, recover damages under paragraph (b) of subsection 1 if the landlord:
- (a) Admits to the court that the landlord had knowledge of the condition constituting the breach; or
- (b) Has received written notice of that condition from a governmental agency authorized to inspect for violations of building, housing or health codes.
 - **Sec. 15.** NRS 118A.355 is hereby amended to read as follows:
- 118A.355 1. Except as otherwise provided in this chapter, if a landlord fails to maintain a dwelling unit in a habitable condition as required by this chapter, the tenant shall deliver a written notice to the landlord specifying each failure by the

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 landlord to maintain the dwelling unit in a habitable condition and requesting that the landlord remedy the failures. If a failure is remediable and the landlord adequately remedies the failure or uses his or her best efforts to remedy the failure within 14 days after receipt of the notice, the tenant may not proceed under this section. If the landlord fails to remedy a material failure to maintain the dwelling unit in a habitable condition or to make a reasonable effort to do so within the prescribed time, the tenant may:

- (a) Terminate the rental agreement immediately.
- (b) Recover actual damages.
- (c) Apply to the court for such relief as the court deems proper under the circumstances.
- (d) Withhold any rent that becomes due without incurring late fees, charges for notice or any other charge or fee authorized by this chapter or the rental agreement until the landlord has remedied, or has attempted in good faith to remedy, the failure.
 - 2. The tenant may not proceed under this section:
- (a) For a condition caused by the tenant's own deliberate or negligent act or omission or that of a member of his or her household or other person on the premises with his or her consent; or
- (b) If the landlord's inability to adequately remedy the failure or use his or her best efforts to remedy the failure within 14 days is due to the tenant's refusal to allow lawful access to the dwelling unit as required by the rental agreement or this chapter.
- 3. If the rental agreement is terminated, the landlord shall return all prepaid rent and *any* security *deposit* recoverable by the tenant under this chapter.
- 4. A tenant may not proceed under this section unless the tenant has given notice as required by subsection 1, except that the tenant may, without giving that notice:
 - (a) Recover damages under paragraph (b) of subsection 1 if : [the landlord:]
- (1) [Admits] The landlord admits to the court that the landlord had knowledge of the condition constituting the failure to maintain the dwelling in a habitable condition; [or]
- (2) [Has] The tenant proves to the court that the landlord had actual knowledge of the condition constituting the failure to maintain the dwelling in a habitable condition; or
- (3) The landlord received written notice of that the condition constituting the failure to maintain the dwelling in a habitable condition from a governmental agency authorized to inspect for violations of building, housing or health codes.
 - (b) Withhold rent under paragraph (d) of subsection 1 if the landlord:
- (1) Has received written notice of the condition constituting the failure to maintain the dwelling in a habitable condition from a governmental agency authorized to inspect for violations of building, housing or health codes; and
- (2) Fails to remedy or attempt in good faith to remedy the failure within the time prescribed in the written notice of that condition from the governmental agency.
- 5. Justice courts shall establish by local rule a mechanism by which tenants may deposit rent withheld under paragraph (d) of subsection 1 into an escrow account maintained or approved by the court. A tenant does not have a defense to an eviction under paragraph (d) of subsection 1 unless the tenant has deposited the withheld rent into an escrow account pursuant to this subsection. [A tenant may raise a defense to an eviction under paragraph (b) of subsection 1 without depositing the withheld rent into an escrow account pursuant to this subsection.]

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Sec. 16. NRS 118A.370 is hereby amended to read as follows:

118A.370 If the landlord fails to deliver possession of the dwelling unit to the tenant as provided in this chapter, rent abates until possession is delivered as required, and the tenant may:

- Terminate the rental agreement upon at least 5 days' written notice to the landlord and upon termination the landlord shall return all prepaid rent, any security *deposit* recoverable under this chapter, and any payment, deposit, fee or charge to secure the execution of the rental agreement; or
- 2. Demand performance of the rental agreement by the landlord and, if the tenant elects, maintain an action for possession of the dwelling unit against the landlord or any person wrongfully in possession and recover the actual damages sustained. If the landlord has exercised due diligence to evict the holdover tenant or remedy the condition keeping the new tenant from taking possession, the landlord is not liable for damages; or
- 3. Pursue any other remedies to which the tenant is entitled, including the right to recover any actual damages suffered.

Sec. 17. NRS 118A.390 is hereby amended to read as follows:

- 118A.390 1. If the landlord abuses the right of access to the dwelling unit set forth in NRS 118A.330 or uses that right to harass the tenant, unlawfully removes the tenant from the premises or excludes the tenant by blocking or attempting to block the tenant's entry upon the premises, willfully interrupts or causes or permits the interruption of any essential item or service required by the rental agreement or this chapter or otherwise recovers possession of the dwelling unit in violation of NRS 118A.480, the tenant may recover immediate possession pursuant to subsection 4, proceed under NRS 118A.380 or terminate the rental agreement and, in addition to any other remedy, recover the tenant's actual damages, receive an amount not greater than \$2,500 to be fixed by the court, or both.
- 2. In determining the amount, if any, to be awarded under subsection 1, the court shall consider:
 - (a) Whether the landlord acted in good faith;
 - (b) The course of conduct between the landlord and the tenant; and
 - (c) The degree of harm to the tenant caused by the landlord's conduct.
- 3. If the rental agreement is terminated pursuant to subsection 1, the landlord shall return all prepaid rent and *any* security *deposit* recoverable under this chapter.
- 4. Except as otherwise provided in subsection 5, the tenant may recover immediate possession of the premises from the landlord by filing a verified complaint for expedited relief for the unlawful removal or exclusion of the tenant from the premises, the willful interruption of any essential item or service or the recovery of possession of the dwelling unit in violation of NRS 118A.480.
 - 5. A verified complaint for expedited relief:
- (a) Must be filed with the court within 5 judicial days after the date of the unlawful act by the landlord, and the verified complaint must be dismissed if it is not timely filed. If the verified complaint for expedited relief is dismissed pursuant to this paragraph, the tenant retains the right to pursue all other available remedies against the landlord.
- (b) May not be filed with the court if an action for summary eviction or unlawful detainer is already pending between the landlord and tenant, but the tenant may seek similar relief before the judge presiding over the pending action.
- 6. The court shall conduct a hearing on the verified complaint for expedited relief not later than 3 judicial days after the filing of the verified complaint for expedited relief. Before or at the scheduled hearing, the tenant must provide proof that the landlord has been properly served with a copy of the verified complaint for

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expedited relief. Upon the hearing, if it is determined that the landlord has violated any of the provisions of subsection 1, the court may:

- (a) Order the landlord to restore to the tenant the premises or essential items or services, or both;
 - (b) Award damages pursuant to subsection 1; and
- (c) Enjoin the landlord from violating the provisions of subsection 1 and, if the circumstances so warrant, hold the landlord in contempt of court.
- 7. The payment of all costs and official fees must be deferred for any tenant who files a verified complaint for expedited relief. After any hearing and not later than final disposition of the filing or order, the court shall assess the costs and fees against the party that does not prevail, except that the court may reduce them or waive them, as justice may require.
 - **Sec. 18.** NRS 118A.400 is hereby amended to read as follows:
- 118A.400 1. If the dwelling unit or premises are damaged or destroyed by fire or casualty to an extent that enjoyment of the dwelling unit is substantially impaired, the landlord may terminate the rental agreement and the tenant may, in addition to any other remedy:
- (a) Immediately vacate the premises and notify the landlord within 7 days thereafter of the tenant's intention to terminate the rental agreement, in which case the rental agreement terminates as of the date of vacating.
- (b) If continued occupancy is lawful, vacate any part of the dwelling unit rendered unusable by the fire or casualty, in which case the tenant's liability for rent is reduced in proportion to the diminution in the fair rental value of the dwelling unit or lack of use of the dwelling unit.
- 2. If the rental agreement is terminated, the landlord shall return all prepaid rent and *any* security *deposit* recoverable under this chapter. Accounting for rent in the event of termination or such continued occupancy shall be made as of the date the premises were vacated.
- 3. This section does not apply if it is determined that the fire or casualty were caused by deliberate or negligent acts of the tenant, a member of his or her household or other person on the premises with his or her consent.
 - **Sec. 19.** NRS 118A.440 is hereby amended to read as follows:
- 118A.440 If the tenant's failure to perform basic obligations under this chapter can be remedied by repair, replacement of a damaged item or cleaning, and the tenant fails to use his or her best efforts to comply within 14 days after written notice by the landlord specifying the breach and requesting that the tenant remedy it within that period of time or more promptly if conditions require in case of emergency, the landlord may enter the dwelling unit and cause the work to be done in a workmanlike manner and submit the itemized bill for the actual and reasonable cost, or the fair and reasonable value of the work. The itemized bill shall be paid [as rent] on the next date periodic rent is due, or if the rental agreement has terminated, may be submitted to the tenant for immediate payment or deducted from the security [.] deposit.
 - **Sec. 20.** NRS 118A.460 is hereby amended to read as follows:
- 118A.460 1. The landlord may dispose of personal property abandoned on the premises by a former tenant or left on the premises after eviction of the tenant without incurring civil or criminal liability in the following manner:
- (a) The landlord shall reasonably provide for the safe storage of the property for 30 days after the abandonment or eviction or the end of the rental period and may charge and collect the reasonable and actual costs of inventory, moving and storage before releasing the property to the tenant or his or her authorized representative rightfully claiming the property within that period. The landlord is

liable to the tenant only for the landlord's negligent or wrongful acts in storing the property.

(b) After the expiration of the 30-day period, the landlord may dispose of the

- (b) After the expiration of the 30-day period, the landlord may dispose of the property and recover his or her reasonable costs out of the property or the value thereof if the landlord has made reasonable efforts to locate the tenant, has notified the tenant in writing of his or her intention to dispose of the property and 14 days have elapsed since the notice was given to the tenant. The notice must be mailed to the tenant at the tenant's present address, and if that address is unknown, then at the tenant's last known address.
- (c) Vehicles must be disposed of in the manner provided in chapter 487 of NRS for abandoned vehicles.
- 2. Any dispute relating to the amount of the costs claimed by the landlord pursuant to paragraph (a) of subsection 1 may be resolved using the procedure provided in subsection 7 of NRS 40.253.
- 3. During the 5-day period following the eviction or lockout of a tenant, the landlord shall provide the former tenant a reasonable opportunity to retrieve essential personal effects, including, without limitation, medication, baby formula, basic clothing and personal care items. Any dispute relating to the reasonableness of the landlord's actions pursuant to this section may be resolved using the procedure provided in subsection 9 of NRS 40.253.
 - Sec. 21. NRS 40.251 is hereby amended to read as follows:
- 40.251 1. A tenant of real property, a recreational vehicle or a mobile home for a term less than life is guilty of an unlawful detainer when having leased:
- (a) Real property, except as otherwise provided in this section, or a mobile home for an indefinite time, with monthly or other periodic rent reserved, the tenant continues in possession thereof, in person or by subtenant, without the landlord's consent after the expiration of a notice of:
 - (1) For tenancies from week to week, at least 7 days;
- (2) Except as otherwise provided in subsection 2, for all other periodic tenancies, at least 30 days; or
 - (3) For tenancies at will, at least 5 days.
- (b) A dwelling unit subject to the provisions of chapter 118A of NRS, the tenant continues in possession, in person or by subtenant, without the landlord's consent after expiration of:
- (1) The term of the rental agreement or its termination and, except as otherwise provided in subparagraph (2), the expiration of a notice of:
 - (I) At least 7 days for tenancies from week to week; and
- (II) Except as otherwise provided in subsection 2, at least 30 days for all other periodic tenancies; or
- (2) A notice of at least 5 days where the tenant has failed to perform the tenant's basic or contractual obligations under chapter 118A of NRS.
- (c) A mobile home lot subject to the provisions of chapter 118B of NRS, or a lot for a recreational vehicle in an area of a mobile home park other than an area designated as a recreational vehicle lot pursuant to the provisions of subsection 8 of NRS 40.215, the tenant continues in possession, in person or by subtenant, without the landlord's consent:
- (1) After notice has been given pursuant to NRS 118B.115, 118B.170 or 118B.190 and the period of the notice has expired; or
- (2) If the person is not a natural person and has received three notices for nonpayment of rent within a 12-month period, immediately upon failure to pay timely rent.

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- (d) A recreational vehicle lot, the tenant continues in possession, in person or by subtenant, without the landlord's consent, after the expiration of a notice of at least 5 days.
- 2. Except as otherwise provided in this section, if a tenant with a periodic tenancy pursuant to paragraph (a) or (b) of subsection 1, other than a tenancy from week to week, is 60 years of age or older or has a physical or mental disability, the tenant may request to be allowed to continue in possession for an additional 30 days beyond the time specified in subsection 1 by submitting a written request for an extended period and providing proof of the tenant's age or disability. A landlord may not be required to allow a tenant to continue in possession if a shorter notice is provided pursuant to subparagraph (2) of paragraph (b) of subsection 1.
 - 3. Any notice provided pursuant to [paragraph]:
- (a) Paragraph (a) or (b) of subsection 1 must include a statement advising the tenant of the provisions of subsection 2.
- (b) Subparagraph (2) of paragraph (a) or sub-subparagraph (II) of subparagraph (1) of paragraph (b) of subsection 1 must include a statement advising the tenant of the provisions of section 7 of this act.
- 4. If a landlord rejects a request to allow a tenant to continue in possession for an additional 30 days pursuant to subsection 2, the tenant may petition the court for an order to continue in possession for the additional 30 days. If the tenant submits proof to the court that the tenant is entitled to request such an extension, the court may grant the petition and enter an order allowing the tenant to continue in possession for the additional 30 days. If the court denies the petition, the tenant must be allowed to continue in possession for 5 calendar days following the date of entry of the order denying the petition.
 - **Sec. 22.** NRS 40.253 is hereby amended to read as follows:
- 40.253 1. Except as otherwise provided in subsection [10, 11, 12] in addition to the remedy provided in NRS 40.2512 and 40.290 to 40.420, inclusive, when the tenant of any dwelling, apartment, mobile home, recreational vehicle or commercial premises with periodic rent reserved by the month or any shorter period is in default in payment of the rent, the landlord or the landlord's agent [1, unless otherwise agreed in writing,] may serve or have served a notice in writing, requiring in the alternative the payment of the rent or the surrender of the premises:
 - (a) At or before noon of the fifth full day following the day of service; or
- (b) If the landlord chooses not to proceed in the manner set forth in paragraph (a) and the rent is reserved by a period of 1 week or less and the tenancy has not continued for more than 45 days, at or before noon of the fourth full day following the day of service.
- → As used in this subsection, "day of service" means the day the landlord or the landlord's agent personally delivers the notice to the tenant. If personal service was not so delivered, the "day of service" means the day the notice is delivered, after posting and mailing pursuant to subsection 2, to the sheriff or constable for service if the request for service is made before noon. If the request for service by the sheriff or constable is made after noon, the "day of service" shall be deemed to be the day next following the day that the request is made for service by the sheriff or constable.
- 2. A landlord or the landlord's agent who serves a notice to a tenant pursuant to paragraph (b) of subsection 1 shall attempt to deliver the notice in person in the manner set forth in paragraph (a) of subsection 1 of NRS 40.280. If the notice cannot be delivered in person, the landlord or the landlord's agent:
- (a) Shall post a copy of the notice in a conspicuous place on the premises and mail the notice by overnight mail; and

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- serve the notice within 48 hours after the request for service was made by the landlord or the landlord's agent. 3. A notice served pursuant to subsection 1 or 2 must: (a) Identify the court that has jurisdiction over the matter; and
 - (b) Advise the tenant:
 - (1) Of the tenant's right to contest the matter by filing, within the time specified in subsection 1 for the payment of the rent or surrender of the premises, an affidavit with the court that has jurisdiction over the matter stating that the tenant has tendered payment or is not in default in the payment of the rent;

(b) After the notice has been posted and mailed, may deliver the notice to the

sheriff or constable for service in the manner set forth in subsection 1 of NRS 40.280. The sheriff or constable shall not accept the notice for service unless it is

accompanied by written evidence, signed by the tenant when the tenant took

possession of the premises, that the landlord or the landlord's agent informed the

tenant of the provisions of this section which set forth the lawful procedures for

eviction from a short-term tenancy. Upon acceptance, the sheriff or constable shall

(2) That if the court determines that the tenant is guilty of an unlawful detainer, the court may issue a summary order for removal of the tenant or an order providing for the nonadmittance of the tenant, directing the sheriff or constable of the county to remove the tenant within 24 hours after receipt of the order; and

- (3) That, pursuant to NRS 118A.390, a tenant may seek relief if a landlord abuses the right of access to a dwelling unit set forth in NRS 118A.330 or uses that right to harass the tenant, unlawfully removes the tenant from the premises or excludes the tenant by blocking or attempting to block the tenant's entry upon the premises or willfully interrupts or causes or permits the interruption of an essential service required by the rental agreement or chapter 118A of NRS.
- 4. If the tenant files such an affidavit at or before the time stated in the notice, the landlord or the landlord's agent, after receipt of a file-stamped copy of the affidavit which was filed, shall not provide for the nonadmittance of the tenant to the premises by locking or otherwise.
 - Upon noncompliance with the notice:
- (a) The landlord or the landlord's agent may apply by affidavit of complaint for eviction to the justice court of the township in which the dwelling, apartment, mobile home, recreational vehicle or commercial premises are located or to the district court of the county in which the dwelling, apartment, mobile home, recreational vehicle or commercial premises are located, whichever has jurisdiction over the matter. The court may thereupon issue an order directing the sheriff or constable of the county to remove the tenant within 24 hours after receipt of the order. The affidavit must state or contain:
 - (1) The date the tenancy commenced.
 - (2) The amount of periodic rent reserved.
- (3) The amounts of any cleaning, security or rent deposits paid in advance, in excess of the first month's rent, by the tenant.
 - (4) The date the rental payments became delinquent.
- (5) The length of time the tenant has remained in possession without paving rent.
 - (6) The amount of rent claimed due and delinquent.
- (7) A statement that the written notice was served on the tenant in accordance with NRS 40.280.
 - (8) A copy of the written notice served on the tenant.
 - (9) A copy of the signed written rental agreement, if any.
- (b) Except when the tenant has timely filed the affidavit described in subsection 3 and a file-stamped copy of it has been received by the landlord or the

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landlord's agent, and except when the landlord is prohibited pursuant to NRS 118A.480, the landlord or the landlord's agent may, in a peaceable manner, provide for the nonadmittance of the tenant to the premises by locking or otherwise.

- Upon the filing by the tenant of the affidavit permitted in subsection 3, regardless of the information contained in the affidavit, and the filing by the landlord of the affidavit permitted by subsection 5, the justice court or the district court shall hold a hearing, after service of notice of the hearing upon the parties, to determine the truthfulness and sufficiency of any affidavit or notice provided for in this section. If the court determines that there is no legal defense as to the alleged unlawful detainer and the tenant is guilty of an unlawful detainer, the court may issue a summary order for removal of the tenant or an order providing for the nonadmittance of the tenant. If the court determines that there is a legal defense as to the alleged unlawful detainer, the court shall refuse to grant either party any relief, and, except as otherwise provided in this subsection, shall require that any further proceedings be conducted pursuant to NRS 40.290 to 40.420, inclusive. The issuance of a summary order for removal of the tenant does not preclude an action by the tenant for any damages or other relief to which the tenant may be entitled. If the alleged unlawful detainer was based upon subsection 5 of NRS 40.2514, the refusal by the court to grant relief does not preclude the landlord thereafter from pursuing an action for unlawful detainer in accordance with NRS 40.251.
- 7. The tenant may, upon payment of the appropriate fees relating to the filing and service of a motion, file a motion with the court, on a form provided by the clerk of the court, to dispute the amount of the costs, if any, claimed by the landlord pursuant to NRS 118A.460 or 118C.230 for the inventory, moving and storage of personal property left on the premises. The motion must be filed within 20 days after the summary order for removal of the tenant or the abandonment of the premises by the tenant, or within 20 days after:
 - (a) The tenant has vacated or been removed from the premises; and
- (b) A copy of those charges has been requested by or provided to the tenant, → whichever is later.
- 8. Upon the filing of a motion pursuant to subsection 7, the court shall schedule a hearing on the motion. The hearing must be held within 10 days after the filing of the motion. The court shall affix the date of the hearing to the motion and order a copy served upon the landlord by the sheriff, constable or other process server. At the hearing, the court may:
- (a) Determine the costs, if any, claimed by the landlord pursuant to NRS 118A.460 or 118C.230 and any accumulating daily costs; and
- (b) Order the release of the tenant's property upon the payment of the charges determined to be due or if no charges are determined to be due.
- 9. The tenant may, upon payment of the appropriate fees relating to the filing and service of a motion, file a motion with the court on a form provided by the clerk of the court, to dispute the reasonableness of the actions of a landlord pursuant to subsection 3 of NRS 118A.460. The motion must be filed within 5 days after the tenant has vacated or been removed from the premises. Upon the filing of a motion pursuant to this subsection, the court shall schedule a hearing on the motion. The hearing must be held within [3] 5 days after the filing of the motion. The court shall affix the date of the hearing to the motion and order a copy served upon the landlord by the sheriff, constable or other process server. At the hearing, the court may:
- (a) Order the landlord to allow the retrieval of the tenant's essential personal effects at a date and time and for a period necessary for that retrieval, as determined by the court; and
 - (b) Award damages in an amount not greater than \$2,500.

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10. In determining the amount of damages, if any, to be awarded under paragraph (b) of subsection 9, the court shall consider:

(a) Whether the landlord acted in good faith;

(b) The course of conduct between the landlord and the tenant; and

(c) The degree of harm to the tenant caused by the landlord's conduct.

<u>11.</u> A landlord shall not refuse to accept rent from a tenant that is submitted after the landlord or the landlord's agent has served or had served a notice pursuant to subsection 1 if the refusal is based on the fact that the tenant has not paid collection fees, attorney's fees or other costs other than rent, a reasonable charge for late payments of rent or dishonored checks, or a security. As used in this subsection, "security" has the meaning ascribed to it in NRS 118A.240.

10.1 any amount that does not constitute rent.

This section does not apply to the tenant of a mobile home lot in a mobile home park or to the tenant of a recreational vehicle lot in an area of a mobile home park in this State other than an area designated as a recreational vehicle lot pursuant to the provisions of subsection 8 of NRS 40.215.

Sec. 23. NRS 118A.240 is hereby repealed.

Sec. 24. This act becomes effective on July 1, 2019.

TEXT OF REPEALED SECTION

118A.240 "Security" defined.

- 1. Any payment, deposit, fee or charge that is to be used for any of the following purposes is "security" and is governed by the provisions of this section and NRS 118A.242 and 118A.244:
 - (a) Remedying any default of the tenant in the payments of rent.
- (b) Repairing damages to the premises other than normal wear caused by the tenant
 - (c) Cleaning the dwelling unit.
 - 2. "Security" does not include:
- (a) Any payment, deposit or fee to secure an option to purchase the premises; or
- (b) Any payment to a corporation qualified under the laws of this State as a surety, guarantor or obligator for a premium paid to secure a surety bond or a similar bond, guarantee or insurance coverage for purposes of securing a tenant's obligations to a landlord as described in NRS 118A.242.