

SENATE BILL NO. 392—SENATOR WOODHOUSE

MARCH 20, 2019

Referred to Committee on Judiciary

SUMMARY—Revises provisions relating to real property.  
(BDR 10-1044)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~formatted material~~ is material to be omitted.

AN ACT relating to real property; revising provisions relating to the employment of persons by the Real Estate Division of the Department of Business and Industry; revising provisions relating to the legal representation of the Division; authorizing the creation of a task force to study certain issues; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

1 Existing law creates the Office of the Ombudsman for Owners in Common-  
2 Interest Communities and Condominium Hotels within the Real Estate Division of  
3 the Department of Business and Industry to investigate and resolve disputes  
4 between certain parties in common-interest communities and condominium hotels.  
5 (NRS 116.625, 116.765) Existing law also: (1) authorizes the Division to employ  
6 experts, attorneys, investigators, consultants and other personnel as are necessary to  
7 carry out the provisions of chapters 116 and 116B of NRS; and (2) requires the  
8 Attorney General to act as the attorney for the Division in all actions and  
9 proceedings brought against or by the Division pursuant to the provisions of  
10 chapters 116 and 116B. (NRS 116.620, 116B.810) **Sections 1.3 and 1.5** of this bill  
11 provide that: (1) at least one person employed by the Division must be a certified  
12 public accountant or have training, expertise and experience in performing audits;  
13 (2) the Attorney General must designate one of his or her deputies to serve as legal  
14 counsel for the Division, and the deputy so designated must have legal experience  
15 and expertise in cases involving fraud or fiscal malfeasance; and (3) the designated  
16 deputy attorney general must assist the Ombudsman in performing certain statutory  
17 duties of the Ombudsman.

18 **Section 1.7** of this bill authorizes the creation of a task force to study issues of  
19 concern to common-interest communities in this State.



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

1 **Section 1.** (Deleted by amendment.)

2 **Sec. 1.3.** NRS 116.620 is hereby amended to read as follows:

3 116.620 1. Except as otherwise provided in this section and  
4 within the limits of legislative appropriations and any other money  
5 available for this purpose, the Division may employ experts,  
6 attorneys, investigators, consultants and other personnel as are  
7 necessary to carry out the provisions of this chapter. *At least one*  
8 *person employed pursuant to this subsection or NRS 116B.810*  
9 *must be a certified public accountant certified to practice in this*  
10 *State pursuant to the provisions of chapter 628 of NRS or have*  
11 *training, expertise and experience in performing audits.*

12 2. The Attorney General shall *designate one of his or her*  
13 *deputies to* act as the attorney for the Division in all actions and  
14 proceedings brought against or by the Division pursuant to the  
15 provisions of this chapter. *The Deputy Attorney General so*  
16 *designated must have legal experience and expertise in cases*  
17 *involving fraud or fiscal malfeasance.*

18 3. The ~~[Attorney General]~~ *deputy attorney general designated*  
19 *pursuant to subsection 2* shall ~~render~~ :

20 (a) *Render* to the Commission and the Division opinions upon  
21 all questions of law relating to the construction or interpretation of  
22 this chapter, or arising in the administration thereof, that may be  
23 submitted to the ~~[Attorney General]~~ *deputy attorney general* by the  
24 Commission or the Division.

25 (b) *Assist the Ombudsman in performing his or her duties to*  
26 *assist in the resolution of affidavits filed pursuant to NRS 116.760*  
27 *and to prepare reports required pursuant to NRS 116.765.*

28 **Sec. 1.5.** NRS 116B.810 is hereby amended to read as follows:

29 116B.810 1. Except as otherwise provided in this section and  
30 within the limits of legislative appropriations and any other money  
31 available for this purpose, the Division may employ experts,  
32 attorneys, investigators, consultants and other personnel as are  
33 necessary to carry out the provisions of this chapter. *At least one*  
34 *person employed pursuant to this subsection or NRS 116.620 must*  
35 *be a certified public accountant certified to practice in this State*  
36 *pursuant to the provisions of chapter 628 of NRS or have training,*  
37 *expertise and experience in performing audits.*

38 2. The Attorney General shall *designate one of his or her*  
39 *deputies to* act as the attorney for the Division in all actions and  
40 proceedings brought against or by the Division pursuant to the  
41 provisions of this chapter. *The deputy attorney general so*



1 *designated must have legal experience and expertise in cases*  
2 *involving fraud or fiscal malfeasance.*

3 3. The ~~[Attorney General]~~ *deputy attorney general designated*  
4 *pursuant to subsection 2* shall ~~[render]~~ :

5 (a) *Render* to the Commission and the Division opinions upon  
6 all questions of law relating to the construction or interpretation of  
7 this chapter, or arising in the administration thereof, that may be  
8 submitted to the ~~[Attorney General]~~ *deputy attorney general* by the  
9 Commission or the Division.

10 (b) *Assist the Ombudsman in performing his or her duties to*  
11 *assist in the resolution of affidavits filed pursuant to NRS*  
12 *116B.885 and to prepare reports required pursuant to*  
13 *NRS 116B.890.*

14 **Sec. 1.7.** 1. The Director of the Department of Business and  
15 Industry may establish a task force to study issues of concern to  
16 common-interest communities in this State and, if appropriate, to  
17 recommend the enactment of legislation or adoption of regulations  
18 that would be beneficial to common-interest communities in this  
19 State.

20 2. If the Director establishes a task force pursuant to  
21 subsection 1:

22 (a) The Director shall serve as Chair of the task force.

23 (b) The task force must include members who are  
24 representatives from:

25 (1) The Real Estate Division of the Department of Business  
26 and Industry.

27 (2) The Office of the Ombudsman for Owners in Common-  
28 Interest Communities and Condominium Hotels.

29 (3) The Office of the Attorney General.

30 (4) The common-interest community industry, appointed by  
31 the Director.

32 (c) The task force shall meet at such times as deemed necessary  
33 by the Chair.

34 (d) Members of the task force serve without compensation.

35 **Sec. 2.** (Deleted by amendment.)

36 **Sec. 3.** (Deleted by amendment.)

37 **Sec. 4.** (Deleted by amendment.)

38 **Sec. 5.** (Deleted by amendment.)

39 **Sec. 6.** (Deleted by amendment.)

40 **Sec. 7.** (Deleted by amendment.)

41 **Sec. 8.** (Deleted by amendment.)

42 **Sec. 9.** (Deleted by amendment.)

43 **Sec. 10.** (Deleted by amendment.)

44 **Sec. 11.** (Deleted by amendment.)

45 **Sec. 12.** (Deleted by amendment.)



- 1     **Sec. 13.** (Deleted by amendment.)
- 2     **Sec. 14.** (Deleted by amendment.)
- 3     **Sec. 15.** (Deleted by amendment.)
- 4     **Sec. 16.** (Deleted by amendment.)
- 5     **Sec. 17.** This act becomes effective on July 1, 2019.

