MINUTES OF THE
SENATE COMMITTEE ON JUDICIARY

Eightieth Session
May 15, 2019

The Senate Committee on Judiciary was called to order by Vice Chair Dallas Harris at 8:22 a.m. on Wednesday, May 15, 2019, in Room 2135 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 Nicole J. Cannizzaro, Chair
Senator Dallas Harris, Vice Chair
Senator James Ohrenschall
Senator Marilyn Dondero Loop
Senator Melanie Scheible
Senator Scott Hammond
Senator Ira Hansen
Senator Keith F. Pickard

GUEST LEGISLATORS PRESENT:

Assemblyman Steve Yeager, Assembly District No. 9

STAFF MEMBERS PRESENT:

Patrick Guinan, Committee Policy Analyst
Nicolas Anthony, Committee Counsel
Andrea Franko, Committee Secretary

OTHERS PRESENT:

Sarah M. Adler, Nevada Coalition to End Domestic and Sexual Violence
John T. Jones, Jr., Nevada District Attorneys Association
Ardea G. Canepa-Rotoli, Nevada Justice Association
Eva G. Segerblom, Nevada Justice Association
Josh Griffin, Nevada Subcontractors Association

Aaron West, Nevada Builders Alliance
Joshua J. Hicks, Nevada Home Builders Association
Jeremy Aguerro
David Goldwater, Nevada Home Builders Association
Michael B. Elliott, Nevada Home Builders Association
Nat Hodgson, Southern Nevada Home Builders Association
Aviva Gordon, Henderson Chamber of Commerce
Gary Milliken, Nevada Contractors Association
Jesse Haw
Dale Lowery, D and D Plumbing
Cal Eilrich, President, Fernley Builders Association
Jessica Ferrato, Granite Construction
Greg Peek

VICE CHAIR HARRIS:
I will open the hearing of the Senate Committee on Judiciary with Assembly Bill (A.B.) 422.

ASSEMBLY BILL 422 (1st Reprint): Revises provisions governing criminal procedure. (BDR 14-1096)

ASSEMBLYMAN STEVE YEAGER (Assembly District No. 9):
Assembly Bill 422 deals with what are known as material witness warrants. These warrants can be issued calling for the potential arrest of a victim or a witness whose testimony is necessary to secure a conviction against a defendant.

The bill has been heavily amended since it began in the Assembly Judiciary Committee. There are two sections left in the bill and they mirror each other.

Section 2 addresses what happens if it is impractical to secure a person's presence in court by subpoena. In that circumstance, the courts set bail for the witness who could also be the victim. If the bail is not posted in the mandated time set by the court, the person can be arrested. Assembly Bill 422 seeks to add procedural safeguards by the court appointing an attorney when the bail is set, providing the attorney with the contact information and notice of any upcoming hearings. The bill allows the attorney to contact the witness and explain the consequences of not posting bail or attending a scheduled hearing. If the person is arrested, he or she must be brought before the judge as soon as

possible but not later than 72 hours. At that time, the judge would consider the least restrictive means to secure a person's presence in court. If the judge determines continued incarceration is necessary, the court must make detailed written findings detailing why it is necessary.

Special provisions are provided if the witness is the victim of domestic violence or sexual assault that forms the basis of the underlying case. We do not want to retraumatize victims of domestic violence or sexual assault by incarcerating them when they have been victimized and they are not the offenders. If a victim falls into that category, the person must be brought before the judge within 24 hours. A telephonic hearing is an option if it is a Friday or a Saturday. The appointed attorney should be allowed to participate in the court hearing to advocate for the victim's potential release. We recognize victims of domestic violence and sexual assaults are uniquely situated in terms of revictimization.

Section 2 also states in the event the material witness has either been arrested or has been forced to post bail, the underlying hearing in which the testimony is necessary should take place as soon as possible. The hearing should be rescheduled to an earlier date, as long as it does not jeopardize the rights of the accused. If someone is going to be incarcerated or have to post bail, he or she should not have to wait months to testify either at the hearing or at the trial.

Section 3 also prescribes certain requirements for making a determination whether a witness should be detained or continue to be detained, including requiring the witness appear before a court or officer as soon as practical but no later than 72 hours after being detained.

The Committee members have been provided an article from *The New Yorker* about the practice of arresting victims (Exhibit C contains copyrighted material. Original is available upon request of the Research Library.) and an article from *The New Orleans Advocate* about the New Orleans City Council passing a resolution condemning the practice of arresting victims of crime (Exhibit D contains copyrighted material. Original is available upon request of the Research Library.)

There are some complexities as to why people choose not to testify in court. Arresting survivors of a crime further retraumatizes those survivors and is the wrong approach without some procedural safeguards. This is an opportunity for Nevada to be a leader and recognize the default should not be incarceration and

we need additional procedural safeguards particularly for victims of sexual assault and domestic violence.

SENATOR PICKARD:
This is always a difficult point of discussion with clients who are victims of domestic violence. I want to make sure I understand the process. If a prosecutor was going to detain a material witness, my understanding is the prosecutor will try to work with the witness first. Only when a witness refuses to attend the hearing and the prosecutor believes this witness is critical to the case will the prosecutor bring the witness in anyway. It is common for victims to refuse to be anywhere near the incident again, particularly when they are still in the relationship and they want to maintain the relationship. The person is arrested, charged and now the victim does not want to participate. There is a lot of frontend discussion before they would be detained. Is that correct?

ASSEMBLYMAN YEAGER:
You are definitely touching on some of the complexities of this issue, and S.J.R. No. 17 of the 78th Session, also known as Marsy's Law and the Victims' Bill of Rights might take precedence. Of course, Marsy's Law indicates the victims have to have a chance to be heard.

To get to your question, my hope is yes. Sometimes a witness is contacted and does not come to court. The warrant is not issued at that time. Usually an order to show cause of hearing is issued. The witness or the victim has an opportunity to come to court and there are safeguards. I am hoping he or she gets the judge involved earlier. Sometimes the victim or the witness needs to hear from the judge or from an attorney about what the consequences will be. Most people do not know they can be arrested and incarcerated for not coming to court.

There are some procedural safeguards. This is a rare occurrence. As you said, it is difficult cases where the victim's testimony is necessary for conviction. This would allow the person to actually have representation which is not in our statute and allow the judge to get involved earlier, and hopefully it gives the witness a clear path of what he or she needs to do to avoid posting bail or being incarcerated.

SENATOR PICKARD:
You raised the other issue of the appointed attorney. I know we are not a money committee, but this does not have a fiscal note and does not affect the State. Who is paying for this?

ASSEMBLYMAN YEAGER:
I anticipate the court will appoint counsel. Las Vegas and Washoe County have attorneys on contract. In this rare circumstance, the court would appoint one of the attorneys. Because this work is operational, there is no fiscal note.

SENATOR SCHEIBLE:
Would this apply to witnesses who are in custody?

ASSEMBLYMAN YEAGER:
It would not apply because the liberty interest has already been lost in the case by the individual. If someone is incarcerated for another offense, whether in county jail or in prison, the provision of A.B. 422 would not apply.

SARAH M. ADLER (Nevada Coalition to End Domestic and Sexual Violence):
When a victim chooses not to testify in court against his or her abuser, it is because of fear of retaliation from the abuser, the abuser's friends or the abuser's family. Arrest and incarceration confirms the abuser's contention that the violence is all the victim's fault and he or she will pay for coming forward. Other concerns include trauma for the victim's children or loss of employment, creating fear of or resentment for the criminal justice system.

Prosecutors should refrain from arresting victims for refusing to testify, failing to cooperate or not showing up to court except in exceptional circumstances. We believe all prosecutors should have trauma-informed, victim-centered policies and practices in place that would make a material witness warrant arrest and incarceration the absolute last option to be used against a victim of domestic violence. However, the addition of court-appointed attorneys to this process and the expedited time frames will lessen the harm to victims and allows the Nevada Coalition to End Domestic and Sexual Violence to support A.B. 422.

JOHN T. JONES, JR. (Nevada District Attorneys Association):
We are in the neutral position on A.B. 422. District attorneys' offices work with victims and victims groups like SafeNest to make victims feel as comfortable and safe as possible during the criminal justice process. Despite our efforts,

victims are not always willing or ready to engage with the criminal justice system. They may not be emotionally ready or are afraid. In some instances, the victim may even be in love with the defendant.

The statutory time frames in which a case must be heard do not always consider the victims. Prosecutors have that responsibility. I have lowered offers or dismissed a case because a victim has refused to testify. Instances where the case is so grave or community safety is at risk, we need to pursue the case.

When we incarcerate a victim of abuse, we look at the history of abuse by this defendant against this victim. We also look to see if there is a history of domestic violence dismissals against this defendant because of victim uncooperativeness. Has there been a progression in the abuse that we can document—injuries, stalking behaviors or the seriousness of the offenses.

In the Clark County District Attorney's Office, around 35 percent of our domestic violence unit cases are dismissed. On general litigation track, once a case is filed, the number of cases dismissed is around 7 percent. You can already see in domestic violence cases we have significantly higher dismissal rates. Imagine if a defendant or his or her families learned a victim could ignore a subpoena. The pressure on the victim to not attend the hearing by families and the defendant's loved ones would be enormous. Oftentimes, I am the bad guy. I provide cover for defendants. That is why these two provisions of statute are so important.

Marsy's Law does provide victims with a voice in the proceedings, but it does not allow them to circumvent the court process. Victims may refuse an interviewer deposition unless they are under a court order, and that is what a subpoena is.

We use this tool in rare circumstances. We do not like to, but it is an important tool for prosecutors.

SENATOR SCHEIBLE:
I want to clarify that material witness warrants are not just for victims. It could also be for somebody who witnessed a crime or had information that was important to the trial who is refusing to come to court for whatever reason.

MR. JONES:
Correct. It is also for a material witness. A material witness is someone we need to prove the case.

CHAIR CANNIZZARO:
We will close the hearing on A.B. 422 and open the hearing on A.B. 421.

ASSEMBLY BILL 421 (1st Reprint): Revises provisions relating to construction. (BDR 3-841)

ASSEMBLYMAN STEVE YEAGER (Assembly District No. 9):
Construction defect law has been discussed for many years, and there have been dramatic changes over the years. My intent in bringing A.B. 421 to the Senate Committee on Judiciary is to find the right balance where consumers who are injured through no fault of their own have recourse. In the first reprint of A.B. 421, we have achieved that balance. There is still some work to be completed.

ARDEA G. CANEPA-ROTOLI (Nevada Justice Association):
The history of construction defect law in Nevada commonly known as Chapter 40 started in 1995. It was in response to homeowner complaints and construction defect litigation. More importantly, the original statute was actually a compromise between both consumer advocates and contractor advocates. The homeowners gave up the right to pursue punitive damages or emotional distress damages in exchange for the ability to recover expert fees, litigation costs and attorney's fees.

We wanted the builders to have the right to repair. We did not want to have lawsuits start without the homeowner talking to the builders first to see if they could have repairs made. There was a right to repair process that was initiated and a prelitigation process involving inspections and mediation. The intent of the statute was to allow builders to make things right. If a builder chose not to perform the repair or could not make the repair, the bill allows a homeowner to go forward with litigation.

Since 1995, there have been a number of changes on a bipartisan consensual basis. After 2015, there were changes made that from our standpoint stripped homeowners of a number of rights. The removal of those rights has made it difficult for the homeowners to pursue construction defect claims.

Assembly Bill 421 is trying to get us back to a middle ground. The intent of the bill is to protect consumers and contractors.

The draft of our proposed amendment to A.B. 421 (Exhibit E) I am going to present is a compromise between the Nevada Justice Association, the Nevada Subcontractors Association and the Nevada Builders Alliance.

There were some good things changed in 2015 and there are a number of things that A.B. 421 does not seek to change from the A.B. No. 125 of the 78th Session. For instance, there were changes made to put protections in place for subcontractors regarding indemnification. Assembly Bill 421 does not seek to change that.

There were requirements put in place that homeowners needed to review and sign their Chapter 40 notices before the notices were submitted. If the homeowners are involved in a prelitigation or litigation process, they should know what they are alleging in their Chapter 40 notices. Assembly Bill 421 does not seek to change that requirement or to reinstate the right to write common defect notices.

Changes made in 2015 took away the right to submit common defect notices, where notices were going out on behalf of "similarly situated" properties. Assembly Bill 421 does not seek to bring back the right to do common defect notices.

Although you may have heard that A.B. 421 is a full repeal of A.B. No. 125 of the 78th Session, it is not a full repeal. Assembly Bill 421 does not change the right to repair process. A Chapter 40 notice must be sent to the contractor. The contractor then has 90 days to perform the inspections and perform the repair. If the contractor chooses not to offer a repair, then prelitigation mediation must occur or that mediation can be waived in writing before any kind of lawsuit can be filed.

Assembly Bill 421 does not affect the builder's right to repair because the right to repair process is important for both the contractors and the homeowners.

Section 1 is not changing. Building codes set minimum standards protecting life, limb and property. These cases are expert-driven, and the experts are testifying as to what a defect is and whether it is going to cause harm to property.

Section 2 addresses the notice requirements and seeks to restore the ability of the homeowner to submit a notice. Under the law, homeowners are having to hire experts during the prelitigation stage in order to prepare a notice because of the language in statute. Assembly Bill 421 changes the language to identify in reasonable detail, the defects, damages or injuries. Homeowners can see they have cracked drywall, cracked stucco or they are having a hard time opening and closing doors. They may not know what is causing the defect. With this change in A.B. 421, we are getting back to the point where homeowners can reasonably identify what they are seeing and put that into the notice. The homeowners are having to review their Chapter 40 notices and identify what issues are being alleged. This should keep the expert fees incurred in the prelitigation stage from becoming excessive. If a builder or contractor does want to make repairs, there is not an excess of expert fees that have been incurred.

Section 3 provides a claimant or claimant's representative be present during the prelitigation inspection process and to reasonably identify the approximate location of the defect, damage or injury. This allows contractors to perform a prelitigation inspection, to have actual claimants or claimant's representatives there to be able to point out to the best of their ability the issues they have seen. We have heard the inspections were not beneficial because contractors could not identify the defect.

Section 4 removes burdensome prelitigation requirements that were put in place in 2015. State law requires homeowners tender to all warranties in place before he or she notifies the builder with a Chapter 40 notice. In theory that sounds like a great idea. Unfortunately, the logistics of it have created a burdensome process for homeowners. Let me give you an example: generally, 2-10 warranties cover structural defects. Homeowners are having to tender 2-10 warranties, pay the $250 to tender to that warranty and then wait for the 2-10 warranty people to investigate and reject the claim before the homeowner can submit a Chapter 40 notice. Someone with a roofing or a plumbing defect that has nothing to do with structural issues must still tender to the structural 2-10 warranty before he or she can submit the Chapter 40 notice.

Section 5 no longer has a provision for attorney's fees, but it has a revision that costs reasonably incurred by the claimant are recoverable.

Section 6 stays as amended by A.B. No. 125 of the 78th Session.

Section 7 relates to the statute of repose period. The statute of repose is the absolute outlying date a homeowner can bring a claim against a contractor. The statute runs from the substantial completion date of the property. The statute of repose is not related to a homeowner discovering an issue or the date the property was purchased. Interplayed with the statute of repose is the statute of limitations which is based on a cause of action. If you have negligence or a breach of warranty, it triggers from the date a homeowner knew or should have known of a problem. Although the statute of repose is being extended, the statute of limitations is always going to be in play. If someone knew or should have known about something in Year 2, he or she cannot wait until the end of the statute of repose period to bring a claim because of the statute of limitations. It is important to understand that although the statute of repose is the outer limit date, there is still a statute of limitations.

The original draft of A.B. 421 had the statute of repose period at ten years. We changed it to eight years. The final draft was left at ten years. I have had a number of homeowners call and we have been unable to help because they have been past the original six-year statute of repose. We had a homeowner testify in the Assembly that she missed the deadline by two months and she has extreme soils movement. She cannot open or close her windows or lock her door. We had another homeowner who was past the six years and the back of her home is falling down the hill.

Assembly Bill 421 extends the statute of repose period to ten years. Soils is a good example because soil cases do not show up until Years 8, 9 or 10. We had a geotechnical expert testify in the Assembly who explained that in more detail. Most of the Nation is at a ten-year statute of repose, including our neighboring states of California, Montana, Oregon and Wyoming.

There are some additional revisions in section 7, that amend *Nevada Revised Statutes* (NRS) 11.202, subsection 2. The words "any intentional act" are being stricken from the bill and replaced with the words "any act of fraud." At the end of section 7 stating "which he or she fraudulently concealed" will be stricken. Upon request of subcontractor representatives, there will be some language added to make it clear if a subcontractor, a lower-tiered subcontractor, comes in and covers up a defect but does not know it is a defect—and I will give you an example of a drywall installer installing drywall over a plumbing defect, he does not know it is a plumbing defect—that person is not going to be held accountable for fraud because he did not know there was a defect underneath.

There is some language that needs to be drafted by the Legislative Counsel Bureau (LCB).

Nevada's economy is recovering from the recession. I do not want to see homeowners going into foreclosure, not because of poor loans, but because they cannot repair their homes and cannot sell their houses with defects. It is important we put protections in place both for homeowners and contractors.

EVA G. SEGERBLOM (Nevada Justice Association):
Sections 1.5 and 5.5 are from a requested amendment from the Division of Insurance to define a builder's warranty as referenced in Chapter 40 and to clarify that this is not an insurance product. We are fully in support of this amendment, and it was incorporated into A.B. 421.

Section 8 clarifies the law regarding homeowners association (HOA) standing. An HOA only has standing to pursue claims for defects in common areas. However, there are many instances where an association has an obligation to maintain, repair or replace portions of a community that are not considered common areas. Conversely, when an association has a legal obligation to maintain, repair or replace, generally a homeowner cannot maintain that same area. For example, in townhomes and condominiums, associations typically have a duty to maintain, repair or replace exteriors and roofs of buildings. Under the law as changed in 2015, an association would not have standing to bring a claim for defects in these exteriors and roofs because they are not common areas.

As an example that affects single family homes, there are many communities in Nevada that have rock walls. Often these rock walls are connected throughout a community but built on individual lots. These rock walls are not common areas. Under current law, the association has the obligation for these rock walls, but the association cannot maintain a claim for defects in them because the walls are built on individual lots and not common areas. This presents a conflict in law when the association has to maintain something but does not have legal standing to pursue defects in the same area. Assembly Bill 421 corrects this conflict.

This bill does not repeal any of the legislation passed in the wake of the public HOA scandal in Las Vegas. The members of the Nevada Justice Association and lawyers who practice in this area fully support all of these remedial measures to

put a stop to the criminal wrongdoing. Nevada homeowners and residents should not be penalized or have their rights stripped due to the criminal wrongdoing of one contractor and one attorney over a decade ago. There are many measures put in place in NRS 116 and other criminal penalties put in place as a result of that scandal.

SENATOR PICKARD:
The deletion of the amendment to section 1 is critical. That would have changed the standard significantly and would have really prejudiced the builders.

In section 5 and the change for the constructional defect proven—my understanding is this was added in 2015 because just as most of the builders are good builders who want to repair, we do have some bad actors. Similarly, we have some attorneys who were kind of abusive in how they approached these cases. This would substantially change how we approach the costs—the ability to recover costs. Could you go into detail in how this bill does not reopen the door, or does it open the door, to the attorneys who are going to advise his or her clients to investigate the Chapter 40 claims when there is only one or two that are legitimate? Does this hurt the builders?

MS. CANEPA-ROTOLI:
In section 5, subsection 1, paragraph (e), the language for constructional defects proven by the claimant was stricken because by stating proven by the claimant, it is stating it has to go all the way through trial to be proven. It has caused problems with settlement negotiations. The intent of the statute was to allow homeowners the ability to recover investigative expert fees and litigation costs. By adding the proven language it made it difficult in some situations to settle cases. Our position has been if we go to trial and we prove the defect, the costs are going to be recoverable. The intent was to allow homeowners to recover expert fees and costs to be made whole. This is not going to open the floodgates because when you litigate a case to the end and have proven your defects, we file a Memorandum of Costs. At that point, the opposition always has the ability to challenge those costs. He or she would be able to challenge and say "these expert costs were for defects a, b and c and were not proven at trial." People would always have the ability to object and challenge the recovery.

In the prelitigation stage, there is always negotiation. To the extent that repairs are not offered and you are in a prelitigation mediation, an argument could be

made "okay, we do not believe that these issues are defects and you should not be able to recover expert fees." That argument could be made whether the homeowner's representatives are going to accept those arguments, but that is settlement in general. We are always going to have disagreements. It is important to remove that "proven" language because it has stripped us of our ability to get to settlement. When homeowners submit a demand, it includes the costs and expert fees. How do you prove it? Again, it is a logistics issue that the overall intent was obviously to allow homeowners to recover expert fees and costs. The proven language has given a bit of ambiguity as to what "proven" means in the earlier stage.

SENATOR PICKARD:
When we are talking about negotiations, we consider what the likelihood of success at trial is going to be as we approach those negotiations. As you alluded to, in the past there did not seem to be the ability to obtain the fees in the negotiations because the law did not provide for it. Now you are suggesting the pendulum has swung too far, but by striking it we are going to go back to where we were and the whole purpose of the amendment was because it was lopsided. It gave the ability for the legal team to have destructive testing on multiple issues, many of which had no basis. It was a way of putting pressure on the builder to settle. That will not change, but this was what we thought at the time was a reasonable insertion. I would suggest taking this out might return us to where we were. We might want to look at language that brings the pendulum back toward the middle. I think that is possible.

When we are challenging these costs, you are right, it is common for the judge to allow less than 100 percent. When you win the case, the judge is going to err on the side of recovery. There are attorneys who will inflate costs in order to get the maximum settlement or the maximum order for their clients. They will inflate the costs. If we have not proven the claim was legitimate, if this was not one of the points, why would we encourage that kind of behavior? Why would we encourage those destructive tests? If the claim was not legitimate in the first place, it is not a fishing expedition, it was never intended to be, so how do we balance those two by merely striking the language?

MS. CANEPA-ROTOLI:
My comment earlier about homeowners not having the right to recover expert fees and costs, the initial Chapter 40 of NRS litigation initiated in 1995, was part of the compromise. The whole point was to get us to a place where there

was the right to repair, but homeowners specifically gave up the right to go after punitive damages and emotional distress damages. The homeowners gave up that right because they had the ability to recover reasonable expert fees and costs. If we are taking this away by having defects proven by the claimant, it is really taking us back to pre-Chapter 40 of NRS.

The change made in A.B. 421 is not going to have the specificity requirement; making it reasonable notice is going to prevent people from incurring all those expert fees in the prelitigation stage. The intent is to make it so people are not going on a fishing expedition by allowing for reasonable notice and so we would not get into a situation where we are incurring expert fees until we get into litigation where we have to prove our case. If we get through trial and prevail, we should be able to recover the expert fees and costs for the homeowner. It does not do us any good to inflate those expert fees and costs because that just pulls more money out of the pockets of the homeowner who needs to make the repairs. We are expanding our time in taking these cases on a contingency fee basis. All it is doing is paying back the expert fees. It is not helping us with any of our recovery of fees. We try to keep those at an absolute minimum, and that was the whole point of getting the reasonable notice back so we do not have to incur expert fees in that prelitigation process.

SENATOR PICKARD:
I do not disagree to some extent simply because you are right about the lawyers who are trying to do the right thing. They are not going to inflate it. Those are not the ones we are talking about. We may be conflating issues when we gave up the noneconomic damages—the pain and suffering and punitive damages. Those really have nothing to do with recovering these costs. Since we are relaxing the standard from a detailed description of the defect to a reasonable level of specificity, we are opening that door a little wider and this adds to that. This is an area where we need to work and strike a better balance.

My other question had to do with the common-interest community issue and particularly if we are talking about condominiums and townhomes where the association owns the roof, the common walls and the exterior. We typically see the owner of those units owns from the inside surface, usually the drywall surface, inward so they own the paint and everything inside. In the townhomes where the homeowner owns up to typically the centerline of the common areas, we have a little problem. We were discussing the proposed amendment to say the common-interest communities have either ownership or legal obligation

pursuant to the governing documents or statute to maintain repairs. Can you tell me more about what we are trying to fix? They are either under legal obligation contractually to maintain or they own those areas. They would naturally have standing.

MS. SEGERBLOM:
I have seen the HOAs challenged in court because the language in the law exclusively pertains to common areas. The rock walls are not common areas. I have seen the standing challenged. We want to fix that conflict. We have proposed some language specifying it pertains to common elements, an area the association owns or has an obligation under the governing documents to maintain, repair or replace.

JOSH GRIFFIN (Nevada Subcontractors Association):
We support A.B. 421 as amended. Nevada's subcontractors are in essence the small business owners who make up the construction industry. Our members are the electrical contractors, plumbing contractors, landscapers, painters and drywall installers.

From 2005 until 2015, we worked incredibly hard to make some modifications to S.B. No. 241 of the 72nd Session. We looked at making the right to repair a little more meaningful and tighten up some things that we had some troubles with. We had three principles in all of those discussions during that interim. First, the definition of a defect should be clarified to be more specific to what a defect was. Second, the fees and costs were not automatically part of a prelitigation process. Third was the indemnification issue. For ten years we fought for those three principles. In 2015, those were all put into the bill along with a lot of other items.

If you read the bill referring to NRS 40.655, section 5 begins with, "the following damages to the extent approximately caused by a constructional defect," and then it lists all those conditions in subsection 1, paragraph (e). We are appreciative that the definition of the defect is what we would define as a reasonable standard.

AARON WEST (Nevada Builders Alliance):
We believe the current law is working well. We understand the reality we live in. This compromise is not everything, but we hope there is still room for more of our colleagues to provide input.

SENATOR PICKARD:
Section 7 changes from an intentional act of fraud to any act of fraud. Although there is language that seems to protect a subcontractor, such as a drywall subcontractor who sees there is a problem and knowingly covers it up, you are exposed where you did not have that exposure in the past.

MR. GRIFFIN:
Assembly Bill 421, as originally drafted, referred to concealment or willful concealment. Those terms gave us heartburn because the person who puts on the roof is willfully concealing everything under the roof. There is a methodical and definitive process you must go through to prove fraud. There are rules in statute to prove fraud. Using fraud as the standard for us was significantly more comforting than just willful concealment.

SENATOR HANSEN:
I am a subcontractor and have been through this entire process from 1995 to A.B. No. 125 of the 78th Session. Are there numerous homeowners going into foreclosure because they cannot sell their house due to defects? Are you aware of any situations like this with any of the builders you are representing today?

MR. WEST:
I am not aware of a specific instance of foreclosure.

SENATOR HANSEN:
As a subcontractor, I never went to trial. There was mention that we are going to go all the way through trial before we determine legal fees. Can you mention any cases in which subcontractors have been involved that have gone completely through a full blown trial in the last ten years?

MR. GRIFFIN:
I can check into that. Pre-2015, the standards were so broad it never made sense for anything to go to trial. There were just settlements as quickly as they started. We viewed it as a code violation. We did not go to trial because there was no value in going to trial.

SENATOR HANSEN:
It is an important point to make that no one went to trial because it was pointless—everything was settled by the insurance companies.

In my mind since 2015, it has been an exceptionally successful effort for everybody involved in the trades. The number of complaints the Contractor's Board has received, as I understand it, have dropped or been consistent. The Residential Recovery Fund was minimally used—very reasonable standards. We are trying to fix a problem that does not exist. All this discussion of trials and expert fees and how reasonable this is and houses falling and horrible builders that do not take care of their responsibilities are minimal. For at least the last four years we have seen a dramatic upswing. Insurance costs for subcontractors have dropped substantially. The number of actual cases presented as construction defects has dropped. When actual problems have existed, the current system, since 2015, including the Residential Recovery Fund and access to the Contractor's Board, have in fact met homeowner's needs.

JOSHUA J. HICKS (Nevada Home Builders Association):
This bill started out close to a repeal of A.B. No. 125 of the 78th Session. We still have some lingering concerns with aspects of this bill as it is presented today, including the amendment.

A lot of those concerns came from what the homebuilders experienced prior to 2015. I think it is important to understand what that world looked like because it drives many of the comments and many of the concerns.

As it was set up, Chapter 40 of NRS was to be a prelitigation procedure and was designed to result in early resolution and early identification of problems with homes and quick fixes for homeowners. That was always supported by the homebuilding industry, and that continues to be supported by the homebuilding industry. Having satisfied customers is extremely important. If there is a problem, a builder wants to get it fixed. The problem prior to 2015 is those incentives were reversed. Litigation became the primary incentive over early resolution, and we have a letter on the record. A letter in opposition to A.B. 421 from Steve Thompson was on the record at the Assembly Judiciary Committee hearing. I would urge everyone to read it. The letter included facts, such as Nevadans were 38 times more likely to be involved in a construction defect lawsuit in Nevada than in any other state. Resolutions took about two and half years from the time the Chapter 40 notice was filed to a resolution of a case. Very few homeowners actually sought out attorneys. Most were involved in cases through actions of HOAs.

All the problems were significant, and we tried to address the issues in 2015. We feel after those changes the system is working as we intended. Chapter 40 cases are still being filed, the Residential Recovery Fund is still available for appropriate cases and claims have been relatively consistent through the recovery fund, which does not suggest that there has been any major upswing. We think those systems are working. Builders are now hearing from customers when there are problems rather than hearing from lawyers, and homes are getting repaired.

We are worried if the bill goes back on any of those parts and changes the incentives from resolution to litigation. That impacts the prices of homes, customer satisfaction and customers getting their homes repaired.

Why would the Homebuilders Association be here in opposition when some of the other groups have agreed and testified in support? The answer is the homebuilders are the ones who actually build and sell the houses. The homebuilders are the ones who get the Chapter 40 notices. If there is a problem, the homebuilders are the ones who have to deal with the litigation. Until the issues in the bill are addressed, we are in opposition to A.B. 421.

We did hear about some of the issues with the HOA standing. That is in section 8 of the bill. That was a big concern because prior to 2015, we were seeing a lot of lawsuits filed by HOA boards without the knowledge or the participation of any homeowners who were becoming involved in the litigation. We certainly appreciate and agree with many of the comments of the intent of section 8. There can be property or items on a parcel owned by a homeowner that the HOA itself has an obligation to repair or replace. Most of those are outside of the house or unit. We have attempted, and will continue to attempt, to reach a resolution on that language. We are worried about the current language which we think it is overly broad. It can serve to provide HOA standing to single-family detached units of the exterior, the interior and the interior of attached units. The exterior of attached units are typically owned by the HOA, the roofs as well, and we do not have any issue with those areas getting addressed by the HOA. We are worried about a backdoor way into HOA standing under broad language, and we want to make sure if we are all in agreement that it is not the intent and this should be clarified.

The cost is another piece. There was a robust discussion about cost on the front end. The change was made to ensure that the costs were awarded in

A.B. No. 125 of the 78th Session cases or that were potentially awarded, which is what settlements are all based upon, are not costs that are just for defects that are not pursued. The builders do not want to look at the cost as a way to finance lawsuits and finance testing. Of course, if there is a proven defect, it is reasonable to expect reimbursement. The open-ended language is a cause for concern.

I will make some brief comments on the period of repose. It was eight years when the bill came out of the Assembly. I know that the amendment proposes to take it to ten years. The national average as we have is a little bit over 8 years, it is about 8.3 or 8.4 years, if I remember right. This bill is retroactive concerning the period of repose. That is of concern as well. There are constitutional issues that can sometimes arise on retroactivity, and I think it bears further discussion.

Finally, the notice and inspection section effectively goes back prior to 2015. The builders want to ensure defects are identified and resolved early on in the process. We do have some concerns that not having specific notices and exact locations identified may go contrary to ensuring defects are identified and resolved early in the process.

JEREMY AGUERRO:
I am an analyst, not an advocate, so I start from the neutral position. However, I was asked to provide an overview to the study we undertook. Essentially, we took a look at Nevada's housing market overall—both in terms of supply and demand. The inclusions of our analysis are probably not that surprising to you nor the members of the Legislature relative to the trends that we are seeing in Nevada. Nevada ranks at or near the Nation's highest in terms of population and employment growth, which is driving increased demand for housing across the State. I have seen increased costs as well as increased demand creating affordability challenges throughout the State overall.

Certainly, as those affordability challenges rise, there are disparate impacts in individual areas within the economy and within that sector of the market individually. This was notable since 2005 when we saw the number of attached housing units drop below 5 percent of the product coming online. It has subsequently increased to about 11 percent, and we have seen a continued increase in the number of attached products that are coming online or at least in the development pipeline. This is important for any number of reasons, most

notably as the cost of housing continues to rise, the amount of affordable housing, workforce housing, in our communities statewide is diminishing over time and that attached product has an affordability measure roughly one-third higher than traditional single-family development products.

As we look forward in terms of these trends, we have concerns about the State's long-term housing balance. There is an imbalance between supply and demand, and it continues to get worse. This is also creating challenges in terms of affordability for people here but also creating challenges from an economic development standpoint.

In summary, our analysis shows the housing balance continues to get worse. It is going to get particularly problematic for us, not only for the people who are here but the expectation that our economy will continue to grow.

DAVID GOLDWATER (Nevada Home Builders Association):
Three things: No. 1 is affordable housing. We do not know what causes affordable housing. As you all search for solutions to it, we know it is not one thing that solves the problem since you continue to find many solutions. It is a lot of little things. Construction defect litigation is one of those little things. Every little thing that we do adds to the cost of construction, the cost of litigation and the cost of settlement. It creates a more challenging environment for our fellow Nevadans to afford a place to live. That is easily understood in section 5.

One of the things we realized from this study was the lack of availability of the attached product—condominiums, townhouse—and as the cost of construction defect litigation rose, the availability went down. Those two things were correlated. Since 2015, we have seen a 600 percent increase in that product availability, and we need that desperately in our community.

Next is No. 2: We did not hear there are no construction defect litigation cases. The access to justice is available. What we do know from our own studies is people are getting settlements faster. It has gone down from over three years to just over one year. Homeowners are satisfied with the compensation they are receiving. Most importantly, they are getting their homes repaired. Anything we do that encourages litigation is one step further away from the ultimate resolution which is people getting their homes fixed.

Then comes No. 3: Anything we do that allows the HOA to have standing and something other than what is their right in common areas is a small crack of light that might allow for the kind of corruption that Mike Elliott is going to talk about. I think if their stated intent is to give resolution to areas that are common, that certainly deserves standing. But if there is even a glimmer that an HOA might have standing in this law based on what Mr. Elliott has shared with me and what he is about to share with you, then that is a potential for massive abuse. I do not think that is something we need.

MICHAEL B. ELLIOTT (Nevada Home Builders Association):
I have submitted my testimony (Exhibit F).

SENATOR HANSEN:
You mentioned the HOA situation has not been corrected. Did we fix it in the 2015 legislation, and is this going backwards or is it still the problem?

MR. ELLIOTT:
I believe the bill in 2015 and the bill in 2013 corrected the major deficiencies we identified when we met with the Senate representatives in 2012. This new statute will revert back prior to 2015, and we will have the same problem again.

SENATOR PICKARD:
I hear you saying we should prevent HOAs from filing lawsuits and yet they have an obligation in some instances. They own arguably the common areas. In some instances going back to Mr. Goldwater's point, in the condominium and townhome space, it is common for the HOAs take on the responsibilities for maintenance. Even if they do not own it, they take on the responsibility for maintenance, such as landscaping. In a townhome situation, one person has a patch of grass the HOA is mowing because the homeowner is not going to take care of the lawn, but the rest of the neighbors do take care of their own property. The HOA takes care of all the lawns. The governing documents specify the HOA is responsible. Even though it is the homeowner's property, behind the curb or sidewalk, the HOA takes on that responsibility. If they find a defect right now, they can sue if the builder cannot or will not make the repair. What is your opinion—where do we strike the balance in the HOA's ability to sue if the contractor does not honor the warranty or otherwise perform the work the builder was contracted to perform? Where are you proposing we strike that balance?

MR. HICKS:
As I mentioned in our comments, I think there is a recognition that some of these items maybe either owned by the HOA, or the HOA has an obligation to repair something which is on the parcel owned by the homeowner, and there needs to be something to address that situation. Our concern is the language in section 8 is too broad and effectively allows an HOA to have claim standing on anything. That includes the homes and the interiors of the homes, and effectively means we are going back to pre-2015. That is the reason for the concern in Mr. Elliott's testimony as well.

SENATOR PICKARD:
I do not disagree. It is an important point and why we have been working to address the issue. Does the language I discussed fall short? I do not want to reopen the door to the abuse that we saw in the past. If we were to limit the ability for the HOAs to get involved in those areas where they have an existing legal obligation, either under the governing documents or otherwise by contract or statute, does that keep this door closed?

MR. HICKS:
I think the answer to that is the builders have been and continue to be willing to sit down and figure out the appropriate language. If that language is broad and goes back to the exposure we saw prior to 2015, it is not going to work for the builders. With that said, we are certainly committed to doing everything we can to find the middle ground on some language that will work.

NAT HODGSON (Southern Nevada Home Builders Association):
Due to the rules of the Committee, and I did not see a draft document as a conceptual amendment, I am here as the CEO of the Southern Nevada Home Builders Association in opposition of A.B. 421.

Assembly Bill No. 125 of the 78th Session is working. The affordability for homes in Southern Nevada is too important to discuss conceptions without having something in front of us.

I want to express that my priority is resolution versus litigation. The changes to A.B. 421 have not been thought out methodically and can increase the cost of construction and, my biggest fear, the cost of insurance. Our job and goal is to get in and fix the problems as quick as possible. If it is not exactly identified, sometimes it is like a treasure hunt.

Our organization is open to something reasonable, but the way the bill is written today, it is too far-reaching. Our goal is to have homeowners always reach out to the builders, and get issues resolved. For whatever reason they do not feel like they have been satisfied, there still is the Nevada State Contractors Board, and the Board does look out for the consumer. Chapter 40s are still issued, so it did not stop that issue.

I am confident we can come to an agreement with all parties involved before this bill is in work session.

AVIVA GORDON (Henderson Chamber of Commerce):
We appreciate all the work that has been done making the bill more balanced in its effect, but we remain in opposition even if it is amended. The bill is problematic from an economic development standpoint at a time when our State is reporting record numbers of growth in terms of business and residential needs. This includes the need for affordable housing for workers, their families and business owners who are trying to recruit those workers to come into the State. We oppose a measure that will both increase the cost of residential housing particularly with respect to those attached houses and those houses that affect middle income workers and dramatically impacts the construction industry that works to both employ and house our residents.

There is already a shortage of affordable housing for young professionals and working families who seek that mid-priced housing option, which includes condominiums, townhouses, duplexes and single-family homes. This bill would adversely affect that demographic most significantly. Availability of insurance and the rates of that insurance affects the builders, contractors and subcontractors adversely. This is true with an increased statute of repose where there is the potential of the repose acting retroactively. There is a dramatic concern with respect to having insurance coverage at an affordable rate under any circumstance. It is not taking into account the legal fees that are required to defend meritless cases. The amendments in 2015 are working to ensure we have a robust building community and there are projects being developed and built.

We are committed to working with others on this bill to ensure there is meaningful and appropriate legislation that serves to protect all interested members.

GARY MILLIKEN (Nevada Contractors Association):
We are in opposition to the amended version of A.B. 421. We hope we can work out the issues, but we agree with the Southern Nevada Homebuilders.

JESSE HAW:
I am submitting my written testimony in opposition to A.B. 421 (Exhibit G).

DALE LOWERY (D and D Plumbing):
Prior to 2015 and the changes in Chapter 40, I was involved in four frivolous lawsuits for which D and D Plumbing had no responsibility. My insurance company had to defend me and each time I had to pay the deductible cost, which was $5,000. Any changes we make now will revert back to those problems and situations. We are going to see not only insurance rates go up, we are going to see the cost of housing go up and the end product is going to change. My liability costs of insurance went down after 2015. The plumbers are held responsible for problems, but we take care of the problems we incur. That is standard in the industry today. We all pay into the Nevada State Contractors Residential Recovery Fund that was created to take care of these problems, and there is money available. We are not depleting the fund. The changes requested are not going to help. Please vote no on A.B. 421.

CAL EILRICH (President, Fernley Builders Association):
I have been building homes in Fernley for 25 years and have built over 300 homes. I was designing and building subdivisions. I interviewed the consumers because it was important for me to keep good relations with whomever I built a home.

Because of the State laws, my insurance became unaffordable. Between 1995 and 2000, it went from thousands of dollars a year to tens of thousands of dollars a year. In 2001, the quote was $240,000 for liability insurance for only me. I could not pay that amount, yet I had homes to build. Of all the homes I built, only three people had an issue that I could not resolve. They went to the Nevada State Contractors Board. The Board investigated and said for all three of those cases, there was no real complaint. I have never had a lawsuit filed against me for a defect on a home, yet I needed to pay $240,000 a year for liability insurance. What do my subcontractors pay? It will raise their bids. I am building homes again, since the recession ended. I have liability insurance again and rates have gone down since 2015. Please vote no on A.B. 421.

JESSICA FERRATO (Granite Construction):
I echo the comments made previously. We are here in opposition and still have concerns with A.B. 421.

GREG PEEK:
I am a third-generation developer in Reno. We build primarily multifamily apartments and four-cell units. I would like to underline the affordability of the condo market. For every $1,000 increase you have in the cost of a home, you are taking about 2,283 home buyers off the market in Nevada. Supply will correct the affordability issue. We are in opposition to this bill, but we are ready to work with homeowners.

ASSEMBLYMAN YEAGER:
If anyone is engaging in criminal conduct in the filing or conspiring on construction defect litigation, they should be prosecuted to the fullest extent of the law. Assembly Bill 421 is about protecting the consumer. For most consumers in Nevada, your home is your largest most single investment you will have in your life. It is about giving those homeowners the option to go to court if every other avenue fails.

MS. CANEPA-ROTOLI:
There has been discussion about the ability of the homeowners accessing the Residential Recovery Fund through the Nevada State Contractors Board. The Recovery Fund in concept is great, but it has limitations which prohibit homeowners from seeking recovery. You must file a claim within four years. In many situations, plumbing and soil cases do not show up within that time frame. The form asks you what other remedies have you sought, including a lawsuit. You have many remedies to exhaust before you get to the Board, which also puts you past the four-year limitation. The recovery limit is $35,000, and many times it is not enough money to cover the issue. There was testimony in the Assembly Committee on Judiciary indicating 70 percent of the issues dealt with solar issues, remodels and small subcontractors. The intent of the Residential Recovery Fund was not to replace the ability of the homeowner to pursue claims for construction defects under NRS Chapter 40.

Mr. Elliott had an issue with the lack of criminal penalties—we have them in place now. Board members were controlling HOAs and pursuing litigation without the knowledge of their members. The A.B. 421 language on the HOA issue does not go back prior to A.B. No. 125 of the 78th Session and is limited

to property that a HOA owns or has a legal obligation to maintain, repair or replace. More importantly, there are protections in place under NRS 116.31088 that state before a lawsuit can be filed by the HOA board, it must get a majority vote of the members, not just the board members.

SENATOR PICKARD:
I want to make sure you did not mean to imply the homeowner had to file a lawsuit before he or she could recover funds from the Recovery Fund. That is not the case. My understanding is the Board will not intervene once a lawsuit is filed as they leave it for the resolution of the lawsuit.

MS. CANEPA-ROTOLI:
I was not saying they must go through a lawsuit, but on the Residential Recovery Fund Claim Form it asks what other remedies have been exhausted. The Recovery Fund is for contractors with no insurance or are out of business, and it is a last resort for homeowners. Under those circumstances, there are times the homeowners resort to a lawsuit in order to recover funds, if a builder does have insurance, before they are able to recover under the Recovery Fund.

VICE CHAIR HARRIS:
We will close the hearing on A.B. 421.

CHAIR CANNIZZARO:
I will open the work session. Senator Ohrenschall has requested that we pull A.B. 260 from the consent calendar.

ASSEMBLY BILL 260: Revises provisions governing mental health. (BDR 4-1031)

PATRICK GUINAN (Committee Policy Analyst):
When we have bills with no amendments, we put them on a single calendar with one do pass motion. Today we have A.B. 10, A.B. 17, A.B. 248 and A.B. 335.

ASSEMBLY BILL 10 (1st Reprint): Revises provisions governing the duties of the Director of the Department of Corrections when an offender is released from prison. (BDR 16-204)

Assembly Bill 10 was heard on April 24. The work session document (Exhibit H) summarizes the bill.

ASSEMBLY BILL 17 (1st Reprint): Revises provisions governing bail in criminal cases. (BDR 14-495)

Assembly Bill 17 was heard on May 2. The work session document (Exhibit I) summarizes the bill.

ASSEMBLY BILL 248 (1st Reprint): Prohibits a settlement agreement from containing provisions that prohibit or restrict a party from disclosing certain information under certain circumstances. (BDR 2-1004)

Assembly Bill 248 was heard on May 6. The work session document (Exhibit J) summarizes the bill.

ASSEMBLY BILL 335 (1st Reprint): Revises provisions relating to real property. (BDR 10-287)

Assembly Bill 335 was heard on May 8. The work session document (Exhibit K) summarizes the bill.

SENATOR OHRENSCHALL MOVED TO DO PASS A.B. 10, A.B. 17, A.B. 248 and A.B. 335.

SENATOR SCHEIBLE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR CANNIZZARO:
Next on the work session is A.B. 260.

MR. GUINAN:
Assembly Bill 260 was heard on April 30. The work session document (Exhibit L) summarizes the bill.

SENATOR OHRENSCHALL:
I am hoping that the amendments proposed by Ms. Bertschy and Mr. Piro might be considered by the sponsor. I will vote for it today in Committee and reserve my right.

SENATOR PICKARD MOVED TO DO PASS A.B. 260.

SENATOR DONDERO LOOP SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR CANNIZZARO:
Next is A.B. 41.

ASSEMBLY BILL 41 (1st Reprint): Revises provisions governing the fictitious address program for victims of certain crimes. (BDR 16-418)

MR. GUINAN:
Assembly Bill 41 was heard on May 2. The work session document (Exhibit M) summarizes the bill. The amendment proposed by the Office of the Attorney General proposes to amend the bill to clarify that the Division of Child and Family Services is to vet requests for certain actual addresses from law enforcement and to clarify that various entities will provide information as mandated by federal law.

SENATOR HARRIS MOVED TO AMEND AND DO PASS AS AMENDED A.B. 41.

SENATOR PICKARD SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR CANNIZZARO:
Mr. Guinan will present A.B. 60 on the work session.

ASSEMBLY BILL 60 (2nd Reprint): Revises provisions related to criminal justice. (BDR 3-425)

MR. GUINAN:
Assembly Bill 60 was heard on May 7. The work session document (Exhibit N) summarizes the bill. The Office of the Attorney General has agreed to a friendly amendment proposed by law enforcement to clarify provisions addressing persons commonly addressed as "roommates."

SENATOR HARRIS MOVED TO AMEND AND DO PASS AS AMENDED A.B. 60.

SENATOR DONDERO LOOP SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR CANNIZZARO:
Next on the work session is A.B. 286.

ASSEMBLY BILL 286 (1st Reprint): Makes various changes relating to trusts and estates. (BDR 2-1028)

MR. GUINAN:
Assembly Bill 286 was heard on May 10. The work session document (Exhibit O) summarizes the bill. With the sponsor's approval, Senator Pickard proposes a friendly amendment which is intended to address the protections provided for "proceeds of sale" of a homesteaded property for an unlimited period of time, section 1.5, page 9, line 19. The amendment requires the proceeds of sale to be reinvested in another property which is also made subject to the homestead exemption similar to IRS 1031 exchange program guidelines, which state that another property must be identified within 45 days and that the new property must be closed on within 180 days.

SENATOR HARRIS:
Could Senator Pickard explain the purpose of the amendment?

SENATOR PICKARD:
The purpose was, as written, the exemption would apply to proceeds of sale that would then be exempt from execution. In many instances, there are those who would try to avoid an obligation to child or family that we would normally execute on cash that may be in the bank, a way to avoid that responsibility and to shelter that money. Under this bill as written, all they had to do was sell the house, park the proceeds in a bank account and wait it out. The purpose of the bill was to make it so that someone could afford to keep a roof over their heads and not have that immediately executed on and lose that ability and then become potentially homeless. With that intent, the sponsor has agreed to limit the protection to money that was retained in order to purchase another home, a process similar to a 1031 exchange where you have to identify a home and then close on that home. We are maintaining the intent of the bill which was to protect those proceeds so that they would continue to put a roof over the head, not merely shelter money that would have been accessible to family or children where that obligation exists and arguably supersedes the unlimited ability to shelter that money.

SENATOR HARRIS:
There are many forms of shelter; not everyone likes to buy a home. Perhaps if you bought a home and it was not a great experience, you may choose to make a better financial decision for yourself. I will vote it out of Committee today, but I would like to reserve my right.

SENATOR PICKARD MOVED TO AMEND AND DO PASS AS AMENDED A.B. 286.

SENATOR HAMMOND SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR CANNIZZARO:
I will close the work session and adjourn the hearing at 10:53 a.m.

RESPECTFULLY SUBMITTED:

_____
Andrea Franko,
Committee Secretary

APPROVED BY:

_____
Senator Nicole J. Cannizzaro, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	**Exhibit / # of pages**		**Witness / Entity**	**Description**
	A	2		Agenda
	B	11		Attendance Roster
A.B. 422	C	11	Assemblyman Steve Yeager	Copyrighted Exhibit
A.B. 422	D	5	Assemblyman Steve Yeager	Copyrighted Exhibit
A.B. 421	E	8	Nevada Justice Association	Proposed Amendment
A.B. 421	F	8	Michael B. Elliott / Nevada Home Builders Association	Testimony
A.B. 421	G	3	Jesse Haw	Testimony in Opposition
A.B. 10	H	1	Patrick Guinan	Work Session Document
A.B. 17	I	1	Patrick Guinan	Work Session Document
A.B. 248	J	1	Patrick Guinan	Work Session Document
A.B. 335	K	1	Patrick Guinan	Work Session Document
A.B. 260	L	1	Patrick Guinan	Work Session Document
A.B. 41	M	4	Patrick Guinan	Work Session Document
A.B. 60	N	1	Patrick Guinan	Work Session Document
A.B. 286	O	1	Patrick Guinan	Work Session Document