ASSEMBLY BILL NO. 298-ASSEMBLYWOMAN JAUREGUI

MARCH 14, 2023

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions governing housing. (BDR 10-249)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.

Effect on the State: Yes.

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

AN ACT relating to real property; requiring, under certain circumstances, a landlord who collects from a prospective tenant any fee to apply to rent a dwelling unit to return such fees; prohibiting a landlord from collecting certain application fees for a minor in the household of a prospective tenant; requiring any written agreement for the use and occupancy of a dwelling unit or premises to contain separate appendices relating to fees and tenant rights; making it unlawful for a landlord or certain other persons to charge a tenant certain fees; temporarily prohibiting a landlord from entering into a rental agreement with certain existing tenants that increases the rent due from the tenant by more than a certain amount; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law sets forth certain requirements relating to a written rental agreement for the use and occupancy of a dwelling unit or premises, including, without limitation, that the agreement contain provisions relating to fees which are required and the purposes for which they are required. (NRS 118A.200) Section 2 of this bill: (1) provides that such a rental agreement also include a separate appendix that contains a clear and concise explanation of each fee that may be charged during the term of the rental agreement and the purpose for which the fee may be charged; (2) requires such appendix to state with specificity for each fee that is variable, that the tenant pays the actual cost incurred by the tenant, and, for each fee that is fixed or provided by a third-party vendor, the tenant pays the current amount of the fee; and (3) makes it unlawful for a landlord or other person authorized to enter into a rental agreement on his or her behalf to charge a tenant a fee in an amount or for any purpose that is not set forth in such an appendix.



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Section 2 further requires such a rental agreement to include a separate appendix that contains a clear and concise explanation of the rights of the tenant pursuant to federal and state law and local ordinances.

Section 1 of this bill requires a landlord who collects from a prospective tenant any fee to apply to rent a dwelling unit to refund the fee if the landlord: (1) rents the dwelling unit to a different prospective tenant; and (2) does not conduct the activity for which the fee was collected.

Section 1 further prohibits a landlord from collecting an application fee, a fee to obtain a credit report or a fee to obtain a background check for a minor who is a member of the household of the prospective tenant.

Section 4 of this bill provides that during the period beginning July 1, 2023, and ending on December 31, 2024, a landlord shall not renew the rental agreement or enter into a new rental agreement for a dwelling unit with the existing tenant that increases the rent payable by the existing tenant for the dwelling unit in an amount that is more than 10 percent of the rent payable by the existing tenant pursuant to the rental agreement that is in effect on June 30, 2023. Section 4 further defines "tenant" to mean a person who is entitled under a rental agreement that exists on June 30, 2023, between the person and the landlord to occupy a dwelling unit to the exclusion of others and: (1) is 62 years of age or older; or (2) relies on payments received pursuant to the federal Social Security Act.

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

- **Section 1.** Chapter 118A of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. A landlord who collects from a prospective tenant any fee to apply to rent a dwelling unit, including, without limitation, an application fee, a fee to obtain a credit report or a fee to obtain a background check, shall refund the fee to the prospective tenant if the landlord:
- (a) Rents the dwelling unit to a different prospective tenant; and
- (b) Does not conduct the activity for which the fee was collected, including, without limitation, processing the application or obtaining a credit report or background check of the prospective tenant.
- 2. A landlord shall not collect an application fee, a fee to obtain a credit report or a fee to obtain a background check for a minor who is a member of the household of the prospective tenant.
 - 3. As used in this section:
- (a) "Household" means an association of persons who live in the same home or dwelling and who are related by blood, adoption, marriage or domestic partnership.
 - (b) "Minor" means a person who is under 18 years of age.





- **Sec. 2.** NRS 118A.200 is hereby amended to read as follows:
- 118A.200 1. Any written agreement for the use and occupancy of a dwelling unit or premises must be signed by the landlord or his or her agent and the tenant or his or her agent.
- 2. The landlord shall provide one copy of any written agreement described in subsection 1 to the tenant free of cost at the time the agreement is executed and, upon request of the tenant, provide additional copies of any such agreement to the tenant within a reasonable time. The landlord may charge a reasonable fee for providing the additional copies.
- 3. Any written rental agreement must contain, but is not limited to, provisions relating to the following subjects:
 - (a) Duration of the agreement.

- (b) Amount of rent and the manner and time of its payment.
- (c) Occupancy by children or pets.
- (d) Services included with the dwelling rental.
- (e) Fees which are required and the purposes for which they are required.
- (f) Deposits which are required and the conditions for their refund.
- (g) Charges which may be required for late or partial payment of rent or for return of any dishonored check.
 - (h) Inspection rights of the landlord.
- (i) A listing of persons or numbers of persons who are to occupy the dwelling.
- (j) Respective responsibilities of the landlord and the tenant as to the payment of utility charges.
- (k) A signed record of the inventory and condition of the premises under the exclusive custody and control of the tenant.
 - (1) A summary of the provisions of NRS 202.470.
- (m) Information regarding the procedure pursuant to which a tenant may report to the appropriate authorities:
 - (1) A nuisance.
- (2) A violation of a building, safety or health code or regulation.
- (n) Information regarding the right of the tenant to engage in the display of the flag of the United States, as set forth in NRS 118A.325.
- (o) A separate appendix that contains a clear and concise explanation of each fee that may be charged during the term of the rental agreement and the purpose for which the fee may be charged. The appendix must state with specificity:
- (1) For each fee that is variable, that the cost to be paid by the tenant is the actual cost incurred and that no additional fee





will be added unless the fee is for a charge incurred by the tenant, including, without limitation, a late fee; and

(2) For each fee that is fixed or provided by a third-party

vendor, the current amount of the fee.

- (p) A separate appendix that contains a clear and concise explanation of the rights of the tenant pursuant to federal and state laws and local ordinances.
- 4. In addition to the provisions required by subsection 3, any written rental agreement for a single-family residence which is not signed by an authorized agent of the landlord who at the time of signing holds a permit to engage in property management pursuant to chapter 645 of NRS must contain a disclosure at the top of the first page of the agreement, in a font size at least two times larger than any other font size in the agreement, which states that:
- (a) There are rebuttable presumptions in NRS 205.0813 and 205.0817 that the tenant does not have lawful occupancy of the dwelling unless the agreement:
- (1) Is notarized or is signed by an authorized agent of the landlord who at the time of signing holds a permit to engage in property management pursuant to chapter 645 of NRS; and
- (2) Includes the current address and telephone number of the landlord or his or her authorized representative; and
- (b) The agreement is valid and enforceable against the landlord and the tenant regardless of whether the agreement:
- (1) Is notarized or is signed by an authorized agent of the landlord who at the time of signing holds a permit to engage in property management pursuant to chapter 645 of NRS; or
- (2) Includes the current address and telephone number of the landlord or his or her authorized representative.
- 5. The absence of a written agreement raises a disputable presumption that:
 - (a) There are no restrictions on occupancy by children or pets.
- (b) Maintenance and waste removal services are provided without charge to the tenant.
- (c) No charges for partial or late payments of rent or for dishonored checks are paid by the tenant.
- (d) Other than normal wear, the premises will be returned in the same condition as when the tenancy began.
- 6. It is unlawful for a landlord or any person authorized to enter into a rental agreement on his or her behalf to use any written agreement which does not conform to the provisions of this section, and any provision in an agreement which contravenes the provisions of this section is void.
- 7. It is unlawful for a landlord or any person authorized to enter into a rental agreement on his or her behalf to charge a





tenant a fee in an amount or for any purpose that is not set forth in the appendix to the rental agreement that is required pursuant to paragraph (o) of subsection 3.

- **8.** As used in this section, "single-family residence" means a structure that is comprised of not more than four units. The term does not include a manufactured home as defined in NRS 118B.015.
 - **Sec. 3.** (Deleted by amendment.)

- **Sec. 4.** 1. During the period beginning July 1, 2023, and ending December 31, 2024, a landlord shall not renew the rental agreement or enter into a new rental agreement for a dwelling unit with the existing tenant of the dwelling unit that increases the rent payable by the existing tenant for the dwelling unit in an amount that is more than 10 percent of the rent payable by the existing tenant pursuant to the rental agreement that is in effect on June 30, 2023.
 - 2. As used in this section:
 - (a) "Landlord" has the meaning ascribed to it in NRS 118A.100.
- (b) "Tenant" means a person who is entitled under a rental agreement that exists on June 30, 2023, between the person and a landlord to occupy a dwelling unit to the exclusion of others and:
 - (1) Is 62 years of age or older; or
- (2) Relies on payments received pursuant to the federal Social Security Act, including, without limitation, retirement and survivors' benefits, supplemental security income benefits and disability insurance benefits.
- **Sec. 5.** 1. This section becomes effective upon passage and approval.
 - 2. Section 4 of this act becomes effective on July 1, 2023.
- 3. Section 3 of this act becomes effective on July 1, 2023, and expires by limitation on December 31, 2024.
- 4. Sections 1 and 2 of this act become effective on October 1, 2023.





