

A review of proposed laws that would affect HOAs

Note: This is the second part of a series of columns addressing the bills before the Nevada Legislature that will affect homeowners associations.

Assembly Bill 10 would amend state laws to include water or sewer systems owned by an association as a “neighborhood improvement project,” allowing a local governing body to choose to put the neighborhood improvement designation in place and assess individual homeowners. This bill is being sponsored by the city of Henderson. If you remember, the city stepped in to repair a water leak this past year at the Somerset Park condominium association, where homeowners were each assessed \$8,000 to reimburse the city’s repair expenses.

Assembly Bill 129 would require an association to solicit bids for the same projects unless undue delay could worsen the property damage or pose a risk of injury. It also would require the association to award the contract to the lowest bidder. This proposed law would modify the existing law that requires an association to solicit at least three bids whenever reasonably possible for projects to exceed the 3 percent of the association’s annual budget for communities with less than 1,000 units and 1 percent for those associations over 1,000 units. I have mixed feelings about this proposed law. The lowest bid might not be the best one, and shortcuts in procedures can make a major difference in the quality of the work.

Senate Bill 201 would prevent associations from not allowing owners and occupants in associations from displaying religious items. The bill defines display of religious items as items displayed or affixed to the entry door or door frame because of the held religious beliefs of those individuals. A similar bill was proposed at the 2023 session but did not pass. Questions and concerns were discussed such as displaying a Nazi symbol. It will be interesting to see if this version of the proposed law passes.

Senate Bill 221 would render the complaints and supporting documentation of information compiled as the result of an investigation as public records. Homeowners who allege complaints filed with Nevada Real Estate Division fall into a regulatory “black hole” with little to nothing known about their

disposition. Right now, with some exceptions, complaints are kept confidential following an investigation by NRED.

Senate Bill 222 would allow homeowners to record board meetings by the use of any means, which would include video recording or reproduction. The proposed bill does not include the executive meetings where issues of a personal concern are discussed. Right now, a homeowner can record a board meeting by audio if they provide notice of their intent to do so. There are many issues as to why one would be opposed to this proposed law. It will be interesting to hear the discussions on this bill.

Barbara Holland, CPM, CMCA, AMS and IREM chapter president-elect, is an author, educator and expert witness on real estate issues pertaining to management and brokerage. Questions may be sent to holland7440@gmail.com.