

SENATE BILL NO. 154—SENATORS HARRIS, HARDY, ROBERSON,  
FARLEY, GOICOECHEA; ATKINSON, GUSTAVSON AND  
SETTELMAYER (BY REQUEST)

FEBRUARY 16, 2015

Referred to Committee on Judiciary

SUMMARY—Revises provisions relating to common-interest communities. (BDR 10-725)

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 ~~omitted material~~ is material to be omitted.

AN ACT relating to common-interest communities; requiring the adoption of regulations concerning continuing education requirements for community managers; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1 Existing law requires the Commission for Common-Interest Communities and  
2 Condominium Hotels to adopt regulations governing the issuance of certificates for  
3 community managers. (NRS 116A.410) This bill specifies that the Commission  
4 must adopt regulations for the renewal of such certificates, including certain  
5 regulations for the satisfaction of continuing education requirements.

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

1 **Section 1.** NRS 116A.410 is hereby amended to read as  
2 follows:  
3 116A.410 1. The Commission shall by regulation provide for  
4 the issuance by the Division of certificates. The regulations:  
5 (a) Must establish the qualifications for the issuance of such a  
6 certificate, including, without limitation, the education and  
7 experience required to obtain such a certificate. The regulations  
8 must include, without limitation, provisions that:  
9 (1) Provide for the issuance of a temporary certificate for a  
10 1-year period to a person who:



1 (I) Holds a professional designation in the field of  
2 management of a common-interest community from a nationally  
3 recognized organization;

4 (II) Provides evidence that the person has been engaged  
5 in the management of a common-interest community for at least 5  
6 years; and

7 (III) Has not been the subject of any disciplinary action in  
8 another state in connection with the management of a common-  
9 interest community.

10 (2) Except as otherwise provided in subparagraph (3),  
11 provide for the issuance of a temporary certificate for a 1-year  
12 period to a person who:

13 (I) Receives an offer of employment as a community  
14 manager from an association or its agent; and

15 (II) Has management experience determined to be  
16 sufficient by the executive board of the association or its agent  
17 making the offer in sub-subparagraph (I). The executive board or its  
18 agent must have sole discretion to make the determination required  
19 in this sub-subparagraph.

20 (3) Require a temporary certificate described in subparagraph  
21 (2) to expire before the end of the 1-year period if the certificate  
22 holder ceases to be employed by the association, or its agent, which  
23 offered the person employment as described in subparagraph (2).

24 (4) Require a person who is issued a temporary certificate as  
25 described in subparagraph (1) or (2) to successfully complete not  
26 less than 18 hours of instruction relating to the Uniform Common-  
27 Interest Ownership Act within the 1-year period.

28 (5) Provide for the issuance of a certificate at the conclusion  
29 of the 1-year period if the person:

30 (I) Has successfully completed not less than 18 hours of  
31 instruction relating to the Uniform Common-Interest Ownership  
32 Act; and

33 (II) Has not been the subject of any disciplinary action  
34 pursuant to this chapter or chapter 116 of NRS or any regulations  
35 adopted pursuant thereto.

36 (6) Provide that a temporary certificate described in  
37 subparagraph (1) or (2) and a certificate described in  
38 subparagraph (5):

39 (I) Must authorize the person who is issued a temporary  
40 certificate described in subparagraph (1) or (2) or certificate  
41 described in subparagraph (5) to act in all respects as a community  
42 manager and exercise all powers available to any other community  
43 manager without regard to experience; and

44 (II) Must not be treated as a limited, restricted or  
45 provisional form of a certificate.



1 (b) May require applicants to pass an examination in order to  
2 obtain a certificate other than a temporary certificate described in  
3 paragraph (a). If the regulations require such an examination, the  
4 Commission shall by regulation establish fees to pay the costs of  
5 the examination, including any costs which are necessary for the  
6 administration of the examination.

7 (c) Must establish a procedure for a person who was previously  
8 issued a certificate and who no longer holds a certificate to reapply  
9 for and obtain a new certificate without undergoing any period of  
10 supervision under another community manager, regardless of the  
11 length of time that has passed since the person last acted as a  
12 community manager.

13 (d) May require an investigation of an applicant's background.  
14 If the regulations require such an investigation, the Commission  
15 shall by regulation establish fees to pay the costs of the  
16 investigation.

17 (e) Must establish the grounds for initiating disciplinary action  
18 against a person to whom a certificate has been issued, including,  
19 without limitation, the grounds for placing conditions, limitations or  
20 restrictions on a certificate and for the suspension or revocation of a  
21 certificate.

22 (f) Must establish rules of practice and procedure for conducting  
23 disciplinary hearings.

24 *(g) Must establish the qualifications for the renewal of a*  
25 *certificate, including, without limitation, the hours of continuing*  
26 *education required to obtain such a renewal. The regulations must*  
27 *include, without limitation, provisions that:*

28 *(1) Require the certificate to be renewed biennially.*

29 *(2) Authorize the satisfaction of not more than 5 of the*  
30 *required hours of continuing education, which must be designated*  
31 *as instruction relating to the provisions of this chapter and chapter*  
32 *116 of NRS and any regulations adopted pursuant thereto, in*  
33 *increments of 1 hour, within the 2 years immediately preceding*  
34 *the date on which the certificate expires by:*

35 *(I) Observation of a disciplinary hearing conducted by*  
36 *the Commission, the hours of attendance at which may be used to*  
37 *fulfill any hours of instruction relating to federal, state or local*  
38 *laws and regulations applicable to the management of a common-*  
39 *interest community the Commission may require; or*

40 *(II) With the permission of the parties involved,*  
41 *attendance as an observer at any mediation, arbitration or other*  
42 *process of alternative dispute resolution arising from a claim*  
43 *which is within the jurisdiction of the Division.*



1 2. The Division may collect a fee for the issuance of a  
2 certificate in an amount not to exceed the administrative costs of  
3 issuing the certificate.

4 3. As used in this section, "management experience" means  
5 experience in a position in business or government, including,  
6 without limitation, in the military:

7 (a) In which the person holding the position was required, as  
8 part of holding the position, to engage in one or more management  
9 activities, including, without limitation, supervision of personnel,  
10 development of budgets or financial plans, protection of assets,  
11 logistics, management of human resources, development or training  
12 of personnel, public relations, or protection or maintenance of  
13 facilities; and

14 (b) Without regard to whether the person holding the position  
15 has any experience managing or otherwise working for an  
16 association.

17 **Sec. 2.** This act becomes effective:

18 1. Upon passage and approval for the purpose of adopting  
19 regulations and performing any other preparatory administrative  
20 tasks that are necessary to carry out the provisions of this act; and

21 2. On January 1, 2016, for all other purposes.

