MARCH 14, 2003

Referred to Committee on Judiciary

SUMMARY—Makes various changes concerning common-interest communities. (BDR 10-1177)

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

1

3

8

9 10

11

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

AN ACT relating to common-interest communities; providing for the transient commercial use of one or more units within a planned community that are restricted to residential use in larger counties under certain circumstances; authorizing the executive board of a master association of certain common-interest communities to reallocate certain costs; and providing other matters properly relating thereto.

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

Section 1. Chapter 116 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.

Sec. 2. 1. In a county whose population is 400,000 or more, a person other than a declarant who owns, or directly or indirectly has an interest in, one or more units within a planned community that is restricted to residential use by the declaration may use that unit or one of those units for a transient commercial use only if:

(a) The governing documents of the association and the master association do not prohibit such use;

(b) The executive board of the association and any master association approve the transient commercial use, unless the



planned community and one or more hotels are subject to the governing documents of the master association;

- (c) The zoning applicable to the unit does not prohibit or limit transient commercial use; and
- (d) The person has obtained any license required by the local government for such use.
- 2. The association and the master association may establish requirements for such use pursuant to subsection 1, including, without limitation, the payment of additional fees that are related to any increase in services or other costs associated with the transient commercial use of the unit.
 - 3. As used in this section:

- (a) "Remuneration" means any compensation, money, rent or other valuable consideration given in return for the occupancy, possession or use of a unit.
- (b) "Transient commercial use" means the use of a unit, for remuneration, as a hostel, hotel, inn, motel, resort, vacation rental or other form of transient lodging if the term of the occupancy, possession or use of the unit is for less than 30 consecutive calendar days.
- Sec. 3. The executive board of a master association of any common-interest community that was created before January 1, 1975, and which is located in a county whose population is 400,000 or more may record an amendment to the declaration pursuant to which the master association reallocates the costs of administering the common elements of the master association among the units of the common-interest community uniformly based upon the actual costs associated with each unit.



