

BDR 3-769 AB 324

EXECUTIVE AGENCY FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: March 28, 2023

Agency Submitting: Department of Business and Industry, Real Estate Division

Items of Revenue or Expense, or Both	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25	Effect on Future Biennia
Personnel Services (Cat01) (Expense)		\$374,757	\$382,737	\$765,474
Operating Expenses (Cat04) (Expense)		\$15,051	\$15,305	\$22,762
Equipment/Furniture (Cat05) (Expense)		\$19,940		
Commission Expenses (Cat18) (Expense)		\$2,858	\$2,858	\$5,716
Information Services (Cat26) (Expense)		\$41,782	\$33,314	\$66,628
Total	0	\$454,388	\$434,214	\$860,580

Explanation

(Use Additional Sheets of Attachments, if required)

AB324 (BDR 3-769) has been reviewed and has been determined to have a fiscal impact. As currently drafted, AB324 creates new responsibilities for both the Real Estate Division and the Commission for Common-Interest Communities and Condominium Hotels (Commission). The Division is tasked with maintaining and administering the Escrow Account for claims against an Association. Due to the complexity and fiscal requirements of maintaining and administering an Escrow account, Division will need to staff this program with a Program Officer and an Accounting Assistant. There are approximately 3,600 associations and the Division cannot determine the number of claims that may require the Escrow services.

Division is also required to adopt regulations to establish the Escrow process. AB324 (BDR 3-769) further requires the Commission to order and conduct a special election to replace members of the executive board. Division will require an Attorney position within the Division to develop regulations for both the Escrow process and Special Elections. The Attorney will also provide advisory opinions and guidance to both the Association and the stakeholders during these special elections. A compliance/audit Investigator will be required to ensure the Commission's election requirements are satisfied and to investigate complaints, claims and all other compliance issues emanating from the special elections.

The Commission will need to add an additional meeting to its annual calendar to hear cases on violations of section 6 of the proposed bill.

Name Sharath Chandra

Title Administrator

GOVERNOR'S OFFICE OF FINANCE COMMENTS

Date Tuesday, March 28, 2023

The agency's response appears reasonable.

Name Amy Stephenson

Title Director

Section B1: Summary by GL

Budget Account: 3820 B&I - COMMON INTEREST COMMUNITIES

Item No	Description	Actual 2021-2022	Work Program 2022-2023	W01 Year 1 2023-2024	W01 Year 2 2024-2025
REVENUE					
2511	BALANCE FORWARD FROM PREVIOUS YEAR	0	0	0	-454,346
	TOTAL REVENUES FOR BUDGET ACCOUNT 3820	0	0	0	-454,346
EXPENDITURE					
01	PERSONNEL SERVICES				
5100	SALARIES	0	0	272,717	279,450
5200	WORKERS COMPENSATION	0	0	5,520	3,899
5300	RETIREMENT	0	0	47,726	48,904
5400	PERSONNEL ASSESSMENT	0	0	948	948
5500	GROUP INSURANCE	0	0	35,044	36,412
5700	PAYROLL ASSESSMENT	0	0	188	188
5750	RETIRED EMPLOYEES GROUP INSURANCE	0	0	8,482	8,886
5800	UNEMPLOYMENT COMPENSATION	0	0	178	0
5840	MEDICARE	0	0	3,954	4,050
	TOTAL FOR CATEGORY 01	0	0	374,757	382,737
04	OPERATING EXPENSES				
7020	OPERATING SUPPLIES	0	0	304	304
7022	OPERATING SUPPLIES-B	0	0	58	58
7040	NON-STATE PRINTING SERVICES	0	0	124	124
7044	PRINTING AND COPYING - C	0	0	489	489
7045	STATE PRINTING CHARGES	0	0	229	229
7050	EMPLOYEE BOND INSURANCE	0	0	15	15
7054	AG TORT CLAIM ASSESSMENT	0	0	466	466
705A	NON B&G - PROP. & CONT. INSURANCE	0	0	128	127
7110	NON-STATE OWNED OFFICE RENT	0	0	9,720	9,972
7255	B & G LEASE ASSESSMENT	0	0	79	82
7285	POSTAGE - STATE MAILROOM	0	0	2,278	2,278
7289	EITS PHONE LINE AND VOICEMAIL	0	0	901	901
7296	EITS LONG DISTANCE CHARGES	0	0	207	207
7297	EITS 800 TOLL FREE CHARGES	0	0	53	53
	TOTAL FOR CATEGORY 04	0	0	15,051	15,305
05	EQUIPMENT				
7460	EQUIPMENT PURCHASES < \$1,000	0	0	1,508	0
8241	NEW FURNISHINGS <\$5,000 - A	0	0	18,432	0
	TOTAL FOR CATEGORY 05	0	0	19,940	0
18	COMMISSION EXPENSES				

State of Nevada - Budget Division
 Line Item Detail & Summary
 2023-2025 Biennium (FY24-25)

Item No	Description	Actual 2021-2022	Work Program 2022-2023	W01 Year 1 2023-2024	W01 Year 2 2024-2025
6200	PER DIEM IN-STATE	0	0	1,512	1,512
6210	FS DAILY RENTAL IN-STATE	0	0	262	262
6240	PERSONAL VEHICLE IN-STATE	0	0	84	84
6250	COMM AIR TRANS IN-STATE	0	0	1,000	1,000
	TOTAL FOR CATEGORY 18	0	0	2,858	2,858
26	INFORMATION SERVICES				
7073	SOFTWARE LICENSE/MNT CONTRACTS	0	0	30,459	30,459
7547	EITS BUSINESS PRODUCTIVITY SUITE	0	0	1,140	1,140
7554	EITS INFRASTRUCTURE ASSESSMENT	0	0	1,233	1,233
7556	EITS SECURITY ASSESSMENT	0	0	482	482
8371	COMPUTER HARDWARE <\$5,000 - A	0	0	8,468	0
	TOTAL FOR CATEGORY 26	0	0	41,782	33,314
86	RESERVE				
9178	RESERVE - BAL FWD TO SUBSEQUENT FY	0	0	-454,346	-888,518
	TOTAL FOR CATEGORY 86	0	0	-454,346	-888,518
	TOTAL EXPENDITURES FOR BUDGET ACCOUNT 3820	0	0	42	-454,304

2023-2025 Biennium (FY24-25)
W01 3-769 ESCROW

Section A: Position Detail

Budget Account: 3820 B&I - COMMON INTEREST COMMUNITIES

Type	Description	PCN	Class	Gd Step	Add Gd	Anv Mo	St	End	Ret Cd	FTE Actual	FTE WP	FTE Y1	FTE Y2 MI	2023-2024		2024-2025		
														Salary	Benefits	Salary	Benefits	
E231 EFFICIENCY & INNOVATION																		
ADMLV ADMINISTRATION LAS VEGAS																		
4	ATTORNEY, INDUS RELATIONS (EA)	000101	U4517	99-1	0	10	7-23	6-26	1	0.00	0.00	1.00	1.00	Y SUM	108,753	34,791	108,753	34,403
TOTAL FOR LINE ITEM POSITION GROUP ADMLV										0.00	0.00	1.00	1.00		108,753	34,791	108,753	34,403
ADR ALTERNATIVE DISPUTE RESOLUTION PROGRAM																		
4	PROGRAM OFFICER 2	000100	07647	33-7	0	10	7-23	6-26	1	0.00	0.00	1.00	1.00	Y SUM	61,149	24,005	63,685	24,467
4	ACCOUNTING ASSISTANT 3	000102	02301	27-4	0	10	7-23	6-26	1	0.00	0.00	1.00	1.00	Y SUM	41,666	19,239	43,327	19,950
TOTAL FOR LINE ITEM POSITION GROUP ADR										0.00	0.00	2.00	2.00		102,815	43,244	107,012	44,417
CMPLV COMPLIANCE LAS VEGAS																		
4	COMPLIANCE/AUDIT INVEST 2	000103	11365	33-7	0	10	7-23	6-26	1	0.00	0.00	1.00	1.00	Y SUM	61,149	24,005	63,685	24,467
TOTAL FOR LINE ITEM POSITION GROUP CMPLV										0.00	0.00	1.00	1.00		61,149	24,005	63,685	24,467
TOTAL FOR DECISION UNIT E231										0.00	0.00	4.00	4.00		272,717	102,040	279,450	103,287
TOTAL FOR BUDGET ACCOUNT 3820										0.00	0.00	4.00	4.00		272,717	102,040	279,450	103,287

Budget Account: BA3820
Agency: Common Interest Communities (CIC)
Fiscal Year: FY24-FY25
Category: 18 Commission Expenses
Justification: This travel request supports 1 additional Common Interest Commission for escrow maintenance.

Position Title	PCN#	Location	Date	Purpose	QTY	Cost	6200 Per Diem	6210 Motor Pool	6240 Pers Veh	6250 Air	Total
Overnight Trip											
Commissioner		Las Vegas	TBD	CIC Commission Meeting							
				Lodging - Resort Fees	3	45.00	135	-	-	-	135
				Lodging (\$120/night) + 15% Tax	3	138.00	414	-	-	-	414
				Motor Pool	3	37.34	-	112	-	-	112
				Mileage	100	0.19	-	19	-	-	19
				Airfare	1	500.00	-	-	-	500	500
				Airport Parking	3	14.00	-	-	42	-	42
				Meals & Incidentals / Full Day	3	69.00	207	-	-	-	207
Total:							756	131	42	500	1,429
Overnight Trip											
Deputy Administrator	0002	Las Vegas	TBD	CIC Commission Meeting							
				Lodging - Resort Fees	3	45.00	135	-	-	-	135
				Lodging (\$120/night) + 15% Tax	3	138.00	414	-	-	-	414
				Motor Pool	3	37.34	-	112	-	-	112
				Mileage	100	0.19	-	19	-	-	19
				Airfare	1	500.00	-	-	-	500	500
				Airport Parking	3	14.00	-	-	42	-	42
				Meals & Incidentals / Full Day	3	69.00	207	-	-	-	207
Total:							756	131	42	500	1,429
Decision Unit Total:							\$ 1,512	\$ 262	\$ 84	\$ 1,000	\$ 2,858