Overview Report

NEVADA COMMON-INTEREST COMMUNITIES TASK FORCE

Reporting Period: December 19, 2025 – July 29, 2026

Prepared by the Nevada Real Estate Division

Office of the Ombudsman for Common-Interest Communities and Condominium Hotels

Established pursuant to Senate Bill 392 (2019 Legislative Session), under the authority of the Director of the Department of Business and Industry to study issues of concern to common-interest communities.

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DISCLAIMER

This report is not a rule, regulation, or final legal determination, and it does not have the force of law. Statements describing an item as "recommended" or "adopted" reflect only the Task Force's internal, non-binding vote at a public meeting; they are not effective as law and confer no legal rights or obligations unless and until enacted through the Legislature's normal bill-drafting, hearing, and enactment process, or adopted by the Division through formal rulemaking under the Nevada Administrative Procedure Act (NRS Chapter 233B).

Statutory and regulatory citations are provided for reference and convenience only; the official Nevada Revised Statutes and Nevada Administrative Code should be consulted — and, where appropriate, independent legal counsel — for authoritative guidance, as this report is not a substitute for legal advice.

Summaries of guest presentations, public comment, and third-party materials reflect the Division's understanding of what was presented and do not necessarily represent the views of the Division, the Task Force, or the Department of Business and Industry.

This report reflects the Task Force's work as of the reporting period stated above and is subject to revision as that work continues.

Letter from the Chair



On behalf of the Nevada Common-Interest Communities Task Force, I am pleased to present this overview of the Task Force's work from December 2025 through July 2026.

I want to extend my sincere appreciation to each member of the Task Force for the time, expertise, and thoughtful consideration they have contributed to this effort. The Task Force brought together a diverse group of stakeholders, including homeowners, attorneys, community management professionals, legislative representatives, and state agency staff. Their willingness to engage in candid discussions, examine complex issues, and consider a range of perspectives has been essential to this work. I also thank the individuals and organizations who participated in our public meetings and shared their experiences and recommendations. Nevada's common-interest communities represent a significant and growing part of our state's housing landscape, encompassing hundreds of thousands of residential units and affecting homeowners throughout Nevada. As these communities evolve, so do the challenges facing homeowners, association boards, community managers, and the agencies responsible for providing oversight and guidance. Addressing these challenges requires a practical understanding of how existing laws and processes operate in the real world, as well as a willingness to consider where greater clarity, consistency, and accountability may be warranted.

This report documents the Task Force's discussions, findings, and recommendations to provide legislators and other policymakers with insight into the operations of the Nevada Real Estate Division's Office of the Ombudsman for Common-Interest Communities and Condominium Hotels, the issues confronting the communities it serves, and potential opportunities for improvement ahead of the upcoming legislative session. The report is intended to inform that process by identifying areas for further consideration and providing a foundation for constructive dialogue. The Task Force's recommendations are advisory in nature and do not, by themselves, change existing law or establish new legal requirements.

The work reflected in this report is part of an ongoing commitment by the Nevada Real Estate Division and the Department of Business and Industry to evaluate agency operations, listen to stakeholders, and pursue common-sense policies that serve the interests of Nevada homeowners and communities. We recognize that effective oversight must be balanced with practical implementation, clear expectations, and an appreciation for the responsibilities carried by both association boards and the individuals who live in these communities. Meaningful progress depends on continued engagement, not a single report or legislative session.

As we move forward, the Division remains committed to working collaboratively with homeowners, community associations, industry professionals, legislators, and other interested parties to identify workable solutions, strengthen public understanding, and improve the administration of Nevada's common-interest community laws. We will continue to evaluate concerns as they arise and consider opportunities to improve agency processes and policy approaches on an ongoing basis.

Thank you to the Task Force members and all those who contributed their time and perspectives. Their efforts have helped advance an informed and constructive discussion about how Nevada can continue to improve its approach to common-interest community oversight.

Dr. Kristopher Sanchez

Chair, Nevada Common-Interest Communities Task Force
Director, Nevada Department of Business and Industry

CIC Task Force Member List



Michael Buckley
Director at Fennemore

Michael Buckley is Of Counsel in the Las Vegas office of Fennemore, practicing in the area of commercial real estate and real estate development. He is a founding member and chair of the Real Property Section of the State Bar of Nevada and the lead editor Nevada Real Property Practice Manual (State Bar of Nevada, 2021, currently in revision). Through the State Bar, he was instrumental in the original enactment of NRS 116 in 1991 and, through the Community Associations Institute, the Nevada Commission for Common Interest Communities and Condominium Hotels, and the Real Property Section, he has remained involved in NRS 116 legislation since then, including the 2025 amendments. Mr. Buckley served as chair of the Commission from its inception in 2003 through 2012. He is a member of the American College of Real Estate Lawyers.



Doug Flowers
Partner at Holland & Hart

Doug Flowers is a Partner at Holland & Hart's Reno office and leader of the firm's Real Estate, Development, and Finance Practice Group. A dedicated community leader, Doug serves on the Board of Trustees of The Children's Cabinet and is a past Board Member of both the Builders Association of Northern Nevada and NAIOP of Northern Nevada. He also contributes to regional economic growth as a member of the Economic Development Authority of Western Nevada. Doug's extensive real estate practice encompasses all aspects of residential, commercial, and industrial transactions, and he is recognized nationally as a fellow in the American College of Real Estate Lawyers and member of the American College of Mortgage Attorneys.



Garrett D. Gordon
Partner at Womble Bond Dickinson

Garrett Gordon is a partner in the firm's Real Estate Practice. Garrett practices in the areas of land use law, real estate law, business and corporate law, and government relations. He has represented clients before numerous local governments and state agencies. Garrett also represents clients before the Nevada Legislature on a wide variety of topics, including land use, development, zoning, water rights, common-interest communities, gaming, liquor, vehicle, health care issues, real estate brokerage, and real estate law.

CIC Task Force Member List



Jason Hoorn
Taylor Association Management (CAM licensee)

Jason has called the Las Vegas Valley his home since 1992. After schooling, Jason joined the United States Marine Corps in 1994 and served with distinction. He served in both peace time and in war and is a combat veteran. After being Honorably Discharged in 2003, Jason joined Taylor Association Management to work in the Association Management industry. Jason has been a licensed Community Manager since 2003 and has also earned his Supervising Community Manager certificate from the State of Nevada. Jason carries and maintains several national credentials, including CMCA (Certified Manager of Community Associations), AMS (Association Management Specialist), as well as the highest designation possible for a Community Manager, PCAM (Professional Community Association Manager).



Heidi Kasama
Assemblymember

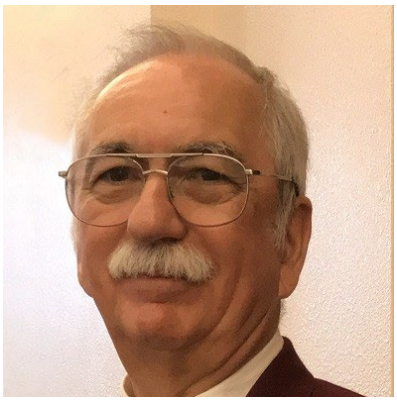
Heidi is proud to serve the people of Nevada as their representative for State Assembly District 2 since being elected in 2020. Heidi Kasama started her professional career as a Certified Public Accountant and later expanded it as a Licensed Real Estate agent in Washington State. Heidi served as the 2018 President for the Nevada Realtors (NVR) and was also a director for the National Association of Realtors (NAR). She was also honored to receive the "Realtor of the Year" for 2018 by NVR and 2015 by GLVAR. Heidi also served as President of the Las Vegas Realtors (LVR) for 2014.



Mark Leon
Homeowner

Mark served in the Nevada Army National Guard from1978 to 1984. He graduated from UNLV in 1984 with a Bachelor of Science degree in Computer Science. Mark established the first Computer Generated Animation studio in Las Vegas in 1990. He is also a dealer of collectible United States Stamps and is a contributing expert of United States Stamps for Professional Stamp Experts (PSE). Mark been a resident of Las Vegas since 1969, his Grandparents established the Mirage Motel in 1959 (later renamed Glass Pool Inn), known for its iconic above-ground swimming pool with seven glass portholes, featured in numerous music videos and movies such as James Bond's Diamonds Are Forever.

CIC Task Force Member List



David Varon
Homeowner

David Varon has served on HOA boards in Reno and Las Vegas for nearly ten years. He is very active in Community Associates Institute's (CAI) Nevada Chapter and has earned both a DCAL and Advanced DCAL distinctions. In 2023, he was awarded "Board Member of the Year" and "DCAL of the Year" both for Northern Nevada. David currently serves on CAI's magazine committee, Legislative Action Committee and Northern Nevada Education Committee.



Donna Zanetti
Partner at Leach, Kern, Gruchow, Song (Leach Group)

Donna A. Zanetti, Esq., is a partner with Leach Kern Gruchow Song. Ms. Zanetti is licensed in Nevada, and her practice areas include community association law and real estate development. Prior to earning her law degree from UNLV, Ms. Zanetti was a community association manager in Nevada. As a member of CAI's Nevada Legislative Action Committee from 2014-2024, Ms. Zanetti advocated for common sense legislation and served as a resource for legislators seeking to understand and improve common-interest community law.



Phil W. Su
Nevada Attorney General's Office Representative

Phil W. Su is a senior deputy attorney general with the Office of the Nevada Attorney General's Business and Industry Division, where he prosecutes administrative hearings on behalf of the Nevada Real Estate Division before the Nevada Real Estate Commission, the Commission of Appraisers of Real Estate, and the Commission of Common Interest Communities and Condominium Hotels, including subsequent litigation and appeals. He previously served as general counsel and interim executive director for the Nevada State Board of Dental Examiners.

CIC Task Force Member List



Christal Park Keegan
Real Estate Division - Common-Interest Communities, Sr Attorney

Senior Attorney, Christal Park Keegan, serves as the legal advisor for the Common Interest Community (CIC) Program within the Nevada Real Estate Division, and formerly served as the Division's deputy attorney general, representing the Department of Business & Industry. Relevant publications include providing the most recent update to the Division's Law and Reference Guide (5th Ed.) and a featured article in the State Bar's official publication The Nevada Lawyer, Hot Topics in Common-Interest Communities Law (Vol. 34, January 2026).



Sonya Meriweather **Retired**
Ombudsman for Owners in Common-Interest Communities and Condominium Hotels

Ms. Meriweather served as the Ombudsman for Common-Interest Communities and Condominium Hotels (CICCH) from 2023 to 2026, bringing more than 22 years of experience with the Office prior to assuming this leadership role. Throughout her career, she has advanced through positions of increasing responsibility, including Deputy Ombudsman, Chief Compliance Officer, and Program Officer III, where she most recently oversaw the Mediation and Informal Conference programs. Her extensive institutional knowledge and progressive leadership experience reflect a longstanding commitment to public service, dispute resolution, and assisting homeowners, associations, and other stakeholders.

Ms. Meriweather is an alumna of the University of Tennessee, Knoxville, and a graduate of the inaugural Nevada State Certified Public Manager program. She also completed the Clark County Neighborhood Justice Center Mediation Program further honing her skills in conflict resolution.



Sharath Chandra
Administrator Nevada Real Estate Division

Sharath Chandra currently serves as the Administrator of the Nevada Real Estate Division Sharath previously served as the Deputy Administrator of the Nevada Housing Division. Prior to joining the State of Nevada, he worked at the Clark County Community Resources Management Division where he administered federal and state affordable housing programs and grants. Sharath has more than 25 years of managerial and leadership experience in both public and private sectors. Having previously worked for the Wolfgang Puck Fine Dining Group and for the Gaylord Opryland Resort & Convention Center. Sharath holds a bachelors' degree and an MBA for the University of Nevada, Las Vegas.

01 Executive Summary

A FRAMEWORK FOR THE FUTURE

> **Ensuring that Nevada's statutory framework and regulatory resources remain responsive to the needs of homeowners, association boards, community managers, and the communities they serve.**

The Task Force brings together industry professionals, homeowners, legislators, and state officials to develop vetted, consensus-based recommendations and articulate policy direction.

Nevada is home to more than 3,800 registered common-interest communities ("CICs") comprising over 642,000 residential units, and that footprint has grown every year for the past decade. Homeowners' associations ("HOAs") have become the default form of residential governance for a large share of the state's population. Nevada's CICs vary significantly in size, structure, and operational complexity, ranging from large master-planned communities with multiple sub-associations and thousands of units to smaller associations with as few as a dozen units. This diversity presents unique governance considerations and practical challenges in applying the statutory framework under NRS Chapter 116, creating opportunities for continued dialogue, education, and thoughtful consideration of regulatory issues affecting associations throughout the State.

In late 2025, Director Kristopher Sanchez reconvened the Nevada CIC Task Force (the "Task Force") as part of a broader Department of Business and Industry effort to modernize agency processes. The Task Force brings together attorneys who practice in the CIC space, a community manager, homeowners, an Assembly member, and Division and Attorney General's Office staff to develop a set of vetted, consensus-based recommendations and articulate policy direction.

This report synthesizes the Task Force's first four public meetings since it was reconvened — December 19, 2025; February 25, 2026; April 14, 2026; and July 29, 2026.

The Task Force's discussions highlighted several recurring issues and areas of consideration affecting Nevada's common-interest communities, including the interpretation and application of statutory requirements, variations in association governance practices, opportunities to strengthen dispute-resolution processes, and the evolving demands placed on the Division's Office of the Ombudsman.

Appendix A: Statutory and Administrative Background.

The scale of these challenges continues to grow alongside the industry. By FY26, Nevada had 3,842 registered associations representing 644,052 residential units, compared with 3,134 associations and 521,283 units in FY16. The state also had 793 licensed community managers, reflecting the expanding regulatory and administrative responsibilities associated with CIC oversight. These trends underscore the importance of ensuring that Nevada's statutory framework and regulatory resources remain responsive to the needs of homeowners, association boards, community managers, and the communities they serve.

The Task Force identified several areas within NRS Chapter 116 where further discussion and consideration of statutory language, definitions, and procedural guidance may help promote greater consistency in interpretation and application.

The Task Force examined the definition of "capital improvement" under NRS 116.3115, noting that the absence of a clear standard can allow new construction to be characterized as maintenance, potentially avoiding statutory notice requirements. Members also identified shortcomings in the process for placing homeowner complaints on board agendas under NRS 116.31087, including instances where complaints receive no substantive response. Similarly, the absence of a defined standard for "reasonable time" under NRS 116.31031 has contributed to concerns about disproportionate sanctions, including lengthy suspensions of voting rights and access to common elements. These discussions highlighted opportunities to further examine statutory provisions and related regulations, consistent procedures, and a balance between homeowner protections and reasonable board discretion.

Dispute resolution emerged as an important area of discussion, with the Task Force exploring opportunities to enhance Nevada's existing alternative dispute resolution framework. The Division's current mediation program operates within the authority and parameters established under NRS Chapter 38. During its discussions, the Task Force was introduced to the Eighth Judicial District Court's nonbinding arbitration program as an alternative model for consideration. This model provided an opportunity to explore a more structured approach to dispute resolution that, if supported by future statutory changes, could serve as a framework for the evolution of the Division's program.

Following these discussions, the Task Force recommended exploring a transition from the Division's current voluntary mediation framework to a nonbinding arbitration model, incorporating an opt-out provision, a state subsidy modeled on the court's $2,000-per-case benchmark, and the ability to award prevailing-party costs and fees. The recommendation is intended to establish a more structured and effective pathway for resolving disputes without requiring parties to pursue costly litigation.

Beyond these immediate statutory and procedural discussions and considerations, the Task Force examined broader pressures affecting the long-term stability and administration of Nevada's common-interest communities. Comparative research and stakeholder testimony highlighted challenges involving aging condominium infrastructure, deferred maintenance, rising insurance and construction costs, reserve funding, and the recruitment and training of volunteer board members. Members also discussed the regulatory reach of the Division, including whether additional oversight of community management companies may be warranted when existing licensing requirements primarily apply to individual managers. Collectively, these issues reinforce the importance of maintaining effective financial safeguards, promoting transparency and accountability, and ensuring that regulatory resources keep pace with the continued growth and complexity of Nevada's CIC industry.

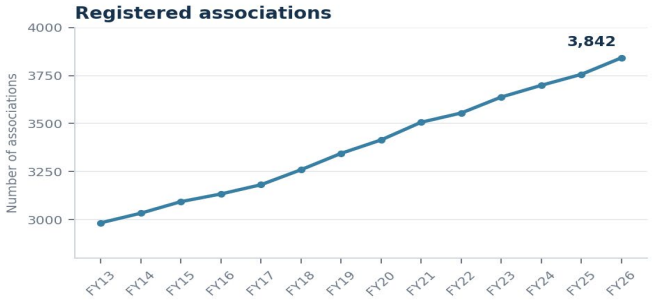
NEVADA COMMON-INTEREST COMMUNITIES

Growth in registered associations and residential units, FY 2013 – FY 2026

3,842
REGISTERED ASSOCIATIONS
28.8% increase since FY 2013

644,052
REGISTERED RESIDENTIAL UNITS
29.1% increase since FY 2013

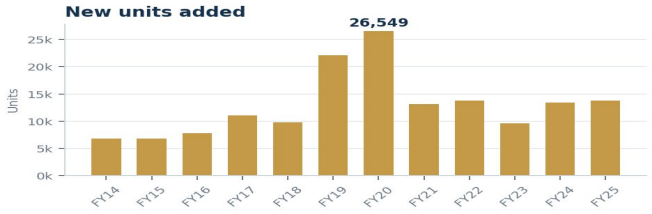
793
LICENSED COMMUNITY MANAGERS
22.6% increase since FY 2010





NEW DEVELOPMENT ACTIVITY | FY 2014–FY 2025





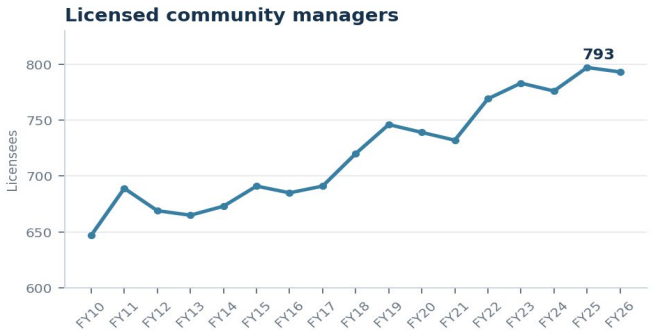
COMMUNITY MANAGEMENT PROFESSION

Historical licensing totals

793
LICENSED COMMUNITY MANAGERS
FY 2026 total

22.6%
LONG-TERM GROWTH
FY 2010 to FY 2026

357
SUPERVISING MANAGERS
45.0% of FY 2026 total





FY 2026 LICENSED MANAGER CLASSIFICATIONS

Classification	FY 2026	Share
Community manager	286	36.1%
Provisional manager	128	16.1%
Supervising manager	357	45.0%
Temporary manager	22	2.8%
Total	**793**	**100.0%**

02

Key Findings

AN EVOLVING INDUSTRY

> **Statutory ambiguity, limited regulatory resources, communication gaps, and emerging financial and infrastructure pressures are shaping the challenges facing Nevada's common-interest communities.**

The Task Force identified interconnected issues involving governance, dispute resolution, homeowner protections, industry growth, and the long-term stability of associations.

One: Undefined or Ambiguous Statutory Terms Drive Inconsistent Practice

NRS 116 relies on critical operative terms — "meeting," "capital improvement," and "reasonable time" — without defining them, resulting in inconsistent, ad hoc governance across common interest-communities. Division staff report that some associations circumvent the 21-day capital-improvement notice requirement by misclassifying new construction as "maintenance." Concurrently, due to the lack of statutory parameters governing what constitutes a "reasonable" duration, other associations impose disproportionate penalties for minor violations, such as year-long suspensions of voting rights or access to common area amenities.

Two: Data Reveals Low Resolution Rates Under the Voluntary Mediation Default

Office of the Ombudsman data highlights systemic inefficiencies within the current common-interest community Alternative Dispute Resolution (ADR) voluntary framework. Of 75 Southern Nevada claims closed between July and October 2025, more than half produced no substantive resolution: 25 ended with no response from the respondent, 22 failed in mediation, and only 10 (about 13 percent) reached agreement. Task Force members concluded that mediation's voluntary nature is the core limitation, allowing parties to disengage and push disputes into court. In contrast, the Eighth Judicial District Court's mandatory, non binding arbitration program resolves roughly 90 percent of its cases. This disparity led the Task Force to recommend shifting the Division's default ADR process from voluntary mediation to mandatory, non binding arbitration to achieve more equitable and efficient outcomes.

Three: Ombudsman Capacity and Association Growth Are Outpacing Resources

Registered associations grew from 3,134 in FY16 to 3,756 in FY25 (and to 3,808 by October of 2025), increased from 521,283 to more than 642,000 — about a 20 percent rise in both over the decade. Against that growth, the RAND comparative study and Task Force testimony identified persistent weaknesses in the Ombudsman's Office, including staff turnover, budget limits, and slow dispute resolution timelines, even though Nevada was otherwise rated among the nation's strongest regulatory systems.

Four: Owner Communication and Transparency Gaps Underlie Most Complaints

A consistent theme across capital-improvement notices, agenda-placement requests, and board actions outside meetings is that homeowners often learn of decisions only after they occur, while boards avoid substantive engagement to limit legal or insurance exposure. The Ombudsman noted that many Intervention Affidavit complaints could be prevented with earlier, clearer board communication. Some members, however, cautioned that requiring detailed written responses to every complaint would add cost and could worsen volunteer-board vacancies.

Five: Aging Buildings and Structural Safety Are an Emerging Nevada Issue

The April 2026 briefing from Florida attorney William Sklar highlighted that Florida had 912,000 condominium units over 30 years old at the time of the Champlain Towers South collapse, and those inconsistent inspections, the lack of a uniform maintenance standard, and reserve funding waivers allowed years of deferred maintenance to accumulate. Although Nevada lacks Florida's coastal environmental risks, Task Force members emphasized that Nevada's condominium stock is aging as well, and that CAI is already drafting Nevada legislation modeled on Florida's milestone inspection and Structural Integrity Reserve Study framework in consultation with engineers, the Nevada Justice Association, realtors, and builders.

Six: Comparative State Findings

The RAND study for the Hawaii Legislative Reference Bureau ranked Florida and Nevada as having the most comprehensive condominium regulatory systems among the five states reviewed, citing their ADR programs, ombudsman offices, online document portals, and community-manager licensing. At the same time, the study highlighted emerging pressures affecting all states — reliance on volunteer boards with uneven training, conflicts involving affordable-housing policies such as ADUs, rising insurance costs, and aging infrastructure — issues directly relevant to Nevada's policy agenda.

Seven: Rising Costs Testing Nevada's Existing Financial Safeguards

National data presented to the Task Force, including a 26 – 29% rise in median HOA and condominium fees since 2019 and Fannie Mae's March 2026 tightening of condo project reserve and insurance standards, underscores pressures that Nevada's existing statutes already anticipate. The reserve study and reserve funding requirements in NRS 116.31152 and NRS 116.3115 are designed to prevent the underfunded reserve and special assessment cycle now being accelerated by rising insurance and construction costs nationwide.

Eight: Volunteer Board Recruitment Challenges

Nevada already affords significant protections to volunteer board members, including fiduciary duty and good faith immunity under NRS 116.3103 and a $1,000,000 minimum D&O insurance requirement under NRS 116.3113. But because state law prohibits monetary compensation for board service (NRS 116.31185 and NRS 116.31187), discussions focus instead on non monetary incentives and stronger training. Florida's mandatory certification and continuing education model offers a comparison point, and the Task Force considered whether a mandatory approach is appropriate for Nevada's current framework.

Nine: Management Companies Outside the Division's Direct Licensing Reach

Community managers are individually licensed and subject to discipline under NRS 116A, but their employing companies are not registered, making it difficult to address complaints tied to firm level policies or non licensed staff. Nevada's appraisal management company framework in NRS 645C — annual registration, a designated responsible employee, and company level enforcement — provides a structural model the Task Force is considering for a similar registration (vs licensure) approach.

03 Recommendations

A CLEARER REGULATORY FRAMEWORK

> **Targeted statutory changes to clarify requirements, strengthen accountability, and improve consistency in common-interest community governance.**

The Task Force recommends revisions addressing capital-improvement definitions, homeowner complaints, association sanctions, and alternative dispute resolution.

Capital Improvement Defined (NRS 116.3115(9)).

The current statute requires 21 calendar days' written notice before a meeting where a capital-improvement assessment will be considered, but does not define "capital improvement," allowing some boards to fund and construct new common elements from operating funds without triggering notice, so long as the project is characterized as maintenance rather than a capital improvement.

Early discussions explored defining capital improvements through a new component test, a category for non capital improvement upgrades, and a budget based cost threshold, but ultimately members concluded these approaches were overly broad or impractical and favored a narrow definition limited solely to truly new components, leaving reserve funded repairs, replacements, and upgrades outside the term.

Recommendation: "Capital improvement" means the addition of a new or substantially different component to the common elements, distinct from existing reserve-funded major components.

Owner Complaints Placed on the Board Agenda (NRS 116.31087).

The existing two-subsection statute results in boards reading subsection (2)'s notice-and-acknowledgment duty as inapplicable unless the owner's original complaint explicitly requests agenda placement, and even when a complaint is properly agendized, boards frequently decline (often on counsel's advice) to discuss it, leaving owners with no substantive response. The Task Force agreed the existing subsections should be consolidated and clarified.

Recommendation: Consolidate the existing two-step notice process into a single, clarified provision, and add a requirement that the board provide the complaining owner with a response within a defined period, with reciprocal anti-harassment/anti-retaliation language protecting both boards and owners.

Sanctions and "reasonable time" (NRS 116.31031(1)(a)(b)).

Current law allows a board to prohibit a violating owner's use of common elements or voting rights "for a reasonable time," without defining that term. Division staff reported boards imposing suspensions of up to a year for comparatively minor infractions.

Members initially discussed fixed sanction caps, but many later argued such limits wouldn't address severe or repeat violations and preferred a flexible "commensurate sanction" standard that preserves board discretion; others opposed statutory changes altogether favoring Division policy, while several agreed that use and voting restrictions should continue automatically until a violation is cured or a fine is paid rather than requiring renewal.

Recommendation: Replace fixed duration 30/60/90-day caps with a "commensurate sanction" standard giving boards discretion proportional to the violation; restrictions continue until a violation is cured or a fine is paid; voting-rights suspensions are tied to a defined "voting cycle"; and notice and hearing requirements are extended to these sanctions.

Alternative Dispute Resolution (NRS 38).

The Division currently administers ADR under NRS 38 with mediation as the default track, using a $50 filing fee, a three hour session, and a subsidy of roughly $250–$500 per case, while Ombudsman data through October 2025 show mediation resolves only a minority of Southern Nevada claims, with most closures due to non response or unsuccessful mediation.

The Administrator proposed making nonbinding arbitration the default ADR track with an opt out and a Division subsidy modeled on the court's $2,000 cap, prompting concern about whether a flat fee limit could attract qualified arbitrators; members discussed allowing prevailing party fee recovery, while public comment urged expanding the lower cost referee program instead of arbitration.

Recommendation: Shift the Division's default ADR track from voluntary mediation to non-binding arbitration (opt-out rather than opt-in), paired with a Division subsidy modeled on the $2,000-per-case benchmark used by the Eighth Judicial District Court's arbitration program, and a change allowing prevailing-party cost and fee awards.

04 Summary of Task Force Meetings

FOUR MEETINGS. A BROADER PERSPECTIVE.

> **“Learning from industry practitioners and the public” to develop policy direction and modernize Nevada’s common-interest community framework.**

Across four public meetings, the Task Force examined statutory concerns, comparative regulatory practices, dispute resolution, financial pressures, and emerging governance challenges.

December 19, 2025
Organizational Meeting

The inaugural meeting of the reconvened Task Force opened with introductions and a statement of goals from the Director, who framed the Task Force as a vehicle for modernizing agency processes by learning from industry practitioners and the public. The Administrator presented an overview of the Division (licensing, education, and compliance functions across roughly 41,600 licensees and $6 million in annual revenue), and the Ombudsman presented the history and functions of the office, including its ADR, registration, and education/training sections.

The substantive discussion covered three statutory items — capital improvements and proper notice (NRS 116.3115(9)), certain units’ owner complaints placed on board agendas (NRS 116.31087), and “reasonable” time restrictions on common-element use and voting (NRS 116.31031) — plus a broader assessment of procedural gaps and stakeholder impact and evaluation of ombudsman reporting protocols and potential improvements. Submitted public comment argued NRS 116.31087 is a loophole; proposed examination of the formal complaint process, to include simplification and neutrality, as well as confidentiality reform of NRS 116.757; suggested defaulting to the nonbinding referee program in governing document disputes; and requested clear guidance on statutory questions.

The meeting also identified several topics for future agendas, including paid professional board members, eminent-domain conveyance authority under NRS 116.1107, and board authority to grant easements.

Other public comment urged licensing of management companies, and included objections to rising management companies document fees under NRS 116.4109.

February 25, 2026
Comparative Research and ADR Deep-Dive

The February meeting featured two major presentations. First, the Ombudsman and attorney-member Michael Buckley presented findings from a RAND study commissioned by the Hawaii State Legislature following recommendations from Hawaii’s Condominium Property Regime Task Force comparing condominium governance in California,

Delaware, Florida, Massachusetts, and Nevada across six key issues (governance, ombudsman oversight offices, dedicated ADR programs, requirements for owner document access, point-of-sale owner education, and management licensing requirements) to highlight best practices and policy considerations relevant to future oversight and governance. Florida and Nevada were identified as having the most comprehensive regulatory frameworks among the five states, though the presenters flagged Nevada-specific weaknesses: slow dispute resolution, Ombudsman staff turnover, budget constraints, and gaps in owner education.

Second, Commissioner Erin Truman of the Eighth Judicial District Court presented an overview of Clark County's court-annexed Mandatory Arbitration Program (for civil claims up to $100,000, recently raised from $50,000) and its voluntary Mediation Program, describing an arbitrator roster of over 600 qualified individuals, a $150/hour rate capped at $2,000 per case, and a roughly 90% pre-trial resolution rate, to inform the Task Force in considering an arbitration-default ADR model.

Public comment alleged that ADR rarely produces a neutral outcome because referee review and arbitration require both parties' consent, and mediation cannot interpret governing documents; proposed making the nonbinding referee process the default and treating ADR participation as jurisdictional; and noted that mediation often feels like a perfunctory box checking step with little incentive for HOAs to settle.

On statutory items, the Task Force discussed possible statutory changes to NRS 116 to clarify what categories of board action can occur outside a formal meeting and how those actions should be disclosed and ratified, and revisited proposed changes previously discussed refining the draft language on capital improvements, owner complaints, and reasonable-time sanctions.

Public comment urged defining "meeting" and reaffirming that NRS Chapter 82 ratification cannot replace homeowner participation, raised concerns about virtual only meetings and the meaning of "place" in NRS 116.3108, and opposed proposed NRS 116.31087 language requiring boards to provide a substantive written response to formal allegations.

Additional public comments called for stronger, proactive, and transparent Division oversight, citing limits on the Ombudsman's authority, staff refusal to act without a Form 514A, opaque complaint closures, unanswered rulemaking petitions, constitutional concerns about HOA fining and foreclosure powers, and ongoing difficulty obtaining association records.

April 14, 2026
Structural Safety Briefing and Formal Recommendations

The April meeting opened with a guest presentation from Florida attorney William Sklar, who chaired the Florida Bar Real Property, Probate and Trust Law ("RPPTL") Condominium Law and Policy Life Safety Advisory Task Force formed after the 2021 Champlain Towers South collapse in Surfside, Florida, which killed 98 people. Mr. Sklar walked the Task Force through Florida's resulting reforms: mandatory milestone structural inspections for condominiums three habitable stories or higher at 30 years (and every 10 years thereafter, sooner near the coast), Structural Integrity Reserve Studies (SIRS) that eliminated prior reserve-funding waivers, mandatory director training and certification, enhanced board fiduciary-duty standards carrying personal liability for failing to obtain or fund required reserve studies, and emerging financing tools such as Florida's "Condo Safety First" program and PACE-style lending. He also discussed the litigation and insurance aftermath of Surfside (a settlement exceeding $1 billion) and the resulting difficulty recruiting volunteer board members, which Florida has offset with stronger legal protections for directors and continued availability of Directors & Officers insurance.

The Task Force then took up statutory items for a vote on inclusion in the final report: NRS 116.31083, NRS 116.3115(9), NRS 116.31087, NRS 116.31031(1)(a)(b), NRS 38.

Public comment argued that several proposed NRS 116 changes would expand off meeting board actions, narrow capital improvement notice, weaken public engagement, introduce undefined "good cause" extensions, duplicate existing anti retaliation law, expand sanctions without due process safeguards, and complicate NRS 38 dispute resolution by removing the referee option and increasing cost and timelines.

Additional public comments urged tolling the NRS 116.760(1) complaint deadline, expanding homeowner outreach, and reframing HOAs as private entities rather than governing bodies.

July 29, 2026
Financial Pressures, Board Vacancies, and Management-Company Oversight

The fourth meeting introduced three new topics for presentation and discussion:

A. Evaluating Financial Pressures in Common-Interest Communities

Guest speaker Matthew Portteus and attorney-member Mr. Buckley presented on converging pressures on association finances: increasing HOA assessments and fees, rising insurance costs (and the less available property insurance), and stricter secondary-mortgage-market project-review standards. Discussion centered on whether existing statutory guardrails remain adequate as costs rise: the 80%-of-actual-cash-value minimum property-insurance requirement (NRS 116.3113), the reserve-funding mandate (NRS 116.3115), the annual budget-disclosure and owner budget-veto right (NRS 116.31151), and the reserve-study requirement, due at least every five years with annual updates (NRS 116.31152).

Supporting materials included a recent headlining Wall Street Journal article Surging HOA Fees Are Pushing Homeowners to the Brink reporting that national median condominium fees rose roughly 29% and single-family HOA fees roughly 26% since 2019, driven in part by insurance, labor, and materials costs, and Fannie Mae's Lender Letter (LL-2026-03) March 18, 2026, which tightens condo-project reserve-funding and insurance-documentation standards for eligible loans.

Public comment submitted encouraged boards and community managers to clearly explain the reasons for assessment increases so homeowners understand the value of what they are funding, and stakeholder feedback recommended shortening Nevada's reserve study cycle from five years to three due to inflation leaving some associations' replacement cost estimates significantly underestimated.

B. Strategies to Address Board Member Vacancies

The Task Force examined why associations struggle to fill and retain board seats, against the backdrop of Nevada's existing safeguards: fiduciary-duty and good-faith liability protection for directors (NRS 116.3103), the three-member minimum board with staggered terms (NRS 116.31034), the $1,000,000 minimum Directors & Officers insurance requirement (NRS 116.3113), and the statutory bar on board-member compensation (NRS 116.31185, NRS 116.31187). Issues raised for discussion included: perceived personal-liability risk, the tradeoffs of term limits, the adequacy of board-member training, and whether non-monetary incentives could help where monetary compensation is prohibited.

As a comparative reference point, the Task Force reviewed Florida's mandatory board-member certification program — a 4-hour Department of Business & Professional Regulation ("DBPR")-approved course due within 90 days of election or appointment, followed by annual continuing education requirements.

Submitted public comment supported mandatory term limits and required board training and certification, adding that board service should be uncompensated, and urging boards to recruit and mentor future volunteers continuously.

C. Community Management Companies

Guest speaker Ken Williams and community-manager-member Jason Hoorn, with contributing speaker Timothy O'Brian, addressed a regulatory gap: the Division licenses individual community managers under NRS Chapter 116A but has no separate registration authority over the management companies that employ them, so company-level conduct can fall outside direct reach even when no individual licensee is personally at fault.

The Task Force considered Nevada's existing appraisal-management-company registration framework (NRS Chapter 645C) as a possible model — annual registration (NRS 645C.650), a designated qualified employee (NRS 645C.670), and firm-level fines and discipline (NRS 645C.710, NRS 645C.720).

Mr. Hoorn took the members through his submitted brief proposing a simple and reasonable annual registration, intended to hold companies directly accountable for violations arising from company-level policies and procedures without additional regulations.

Appendix B: Meeting Agendas, Agenda Attachments, Meeting Minutes – December 19, 2025, February 25, 2026, April 14, 2026, and July 29, 2026.

05 Appendices

Appendix A
Statutory and Administrative Background.

Common-interest communities in Nevada are governed primarily by NRS Chapter 116 (and NRS Chapter 116B for condominium hotels), administered by the Nevada Real Estate Division within the Department of Business and Industry. The Division's Office of the Ombudsman for Common-Interest Communities and Condominium Hotels was created by the Legislature in 1997 through SB 314 to help homeowners and board members understand their rights and obligations, and its scope was expanded in 1999 to include maintaining a statewide registration database of associations. A seven-member Commission for Common-Interest Communities and Condominium Hotels, appointed by the Governor under NRS 116.600, provides discipline, regulation, and advisory functions alongside the Division.

The Nevada Common-Interest Communities Task Force is a separate, distinct body from the Commission, whereby the director of the Department of Business and Industry is authorized to create and chair a task force on common-interest communities to address areas of concern and recommend regulations or legislation as appropriate. As distinct from the regulatory and disciplinary functions the Commission already performs, the Director reconvened the Task Force in December of 2025 to gather input from practitioners, homeowners, community managers, and Division staff, and to compile that input into a report reflecting the Task Force's discussion that would signify items that warrant further consideration as the process moves toward the legislative phase.

Appendix B
Meeting Agendas, Agenda Attachments, Meeting Minutes

December 19, 2025
Agenda

Agency Presentation
Nevada Real Estate Division Agency Presentation

Ombudsman Office Overview

Ombudsman Report – October 2025

Task Force – Division Business
Meeting Minutes – August 19, 2020 – To Be Approved

Task Force Discussion Items
Discussion Items

Public Comment
6 Members of the Public Submitted Comment

February 25, 2026
Agenda

Rand Report Presentation
Five States' Approaches to Aspects of Condominium Law

Presentation, Discussion and Possible Action Item
NRED - ADR Overview and Comparison

Eight Judicial District Court - ADR Presentation

Discussion and Possible Action Items
Discussion Item - Board Action Without a Meeting

Review of Recommendation of Proposed Changes for NRS 116

Meeting Minutes - December 19, 2025 - To Be Approved

Public Comment
13 Members of the Public Submitted Comment

Appendix B Continued
Meeting Agendas, Agenda Attachments, Meeting Minutes

April 14, 2026
Agenda

Discussion and Possible Action Items
Agenda Attachments

Meeting Minutes - February 25, 2026 - To Be Approved

Report of the Florida Bar RPPTL Condominium Law and Policy Life Safety Advisory Task Force

Public Comment
7 Members of the Public Submitted Comment

July 29, 2026
Agenda

Discussion and Possible Action Items
CIC Task Force Discussion Items – Agenda Items A-C

Supporting Materials for Agenda Items A-C

Supporting Materials for Agenda Item 3C

Meeting Minutes - April 14, 2026 - To Be Approved

Public Comment
6 Members of the Public Submitted Comment

Appendix C

No.	Data Sources Reviewed.
01	Division's Agency Presentation — mission, structure, and core functions.
02	Ombudsman's Office Assistance Report (Reporting Period July – October 2025) — intake volumes, Intervention Affidavit and Statement of Fact case statistics, ADR claims and disposition data, auditor activity, and CE/education program metrics.
03	Understanding the Office of the Ombudsman: Roles, Responsibilities, and Processes for Conflict Resolution.
04	Division's Advisory Opinion 11-01 — Executive Board Meetings and Methods of Voting by Board Members, NRS 116.31083 and NRS 116.31085.
05	Eighth Judicial District Court ADR Office presentation, ADR in a Nutshell (February 25, 2026); and a companion NRED ADR overview and comparison.
06	RAND Project Report, Five States' Approaches to Aspects of Condominium Law (PR-A4344-1, November 2025).
07	Report of the Florida Bar RPPTL, Condominium Law and Policy Life Safety Advisory Task Force (October 12, 2021).
08	Wall Street Journal Article, Surging HOA Fees Are Pushing Homeowners to the Brink, by Nicole Friedman (April 9, 2026).
09	Fannie Mae Lender Letter (LL-2026-03), Updates to Project Standards & Property Insurance Requirements (March 18, 2026).
10	Florida Department of Business & Professional Regulation, Division of Condominiums, Timeshares & Mobile Homes, Board Member Certification program materials (Chapters 718 and 720, Florida Statutes).
11	SB 186 (2021), section 3.1.(i), as enrolled – revisions to NRS 649.375.
12	Community Associations Institute ("CAI"), 2026 Legislative and Public Policy Trends, Phoebe E. Neseth (Nov. 19, 2025).
13	NRS 645C Reform History, AB 287 (2009) and SB 39 (2019) as enrolled.
14	News-Press Article, Management Contracts Regulated by Florida Statutes, by Joseph E. Adams, (October 26, 2025).
15	Policy Brief, Supporting Registration of Homeowners Association Management Companies in Nevada, by Jason Hoorn, CMCA, AMS, PCAM.

Appendix D

Category	Statute	Subject
Board Meetings & Governance	NRS 116.31083	Executive board meetings generally (notice, agenda, minutes)
	NRS 116.31085	Owner rights to attend and speak at meetings; permissible subjects for executive session
	NRS 82.271	Board of directors' meetings, quorum, and written-consent action for nonprofit corporations
Board Authority, Duties & Composition	NRS 116.3103	Executive board fiduciary duties and the business-judgment standard
	NRS 116.31031(1)(a)(b)	Executive board authority to impose fines and other sanctions, including restrictions on voting and common-element use
	NRS 116.31034	Minimum board size, staggered terms, and board-member certification
	NRS 116.31185, NRS 116.31187	Prohibition on compensation, gratuities, or other remuneration for board members
	NAC 116.405	Regulatory standard for prohibited executive-board-member conduct / fiduciary-duty violations
Owner Complaints & Rights	NRS 116.31087	Right of unit owners to have certain complaints placed on the executive board's agenda
Assessments, Budgets & Reserves	NRS 116.3115(9)	Notice requirements for meetings at which a capital-improvement assessment is considered
	NRS 116.31151	Annual distribution of operating and reserve budgets; owner right to reject a proposed budget that increases assessments
	NRS 116.31152	Reserve study required at least every five years, with annual updates
Insurance	NRS 116.3113	General insurance requirements, including the 80%-of-actual-cash-value minimum property-insurance standard and the $1,000,000 minimum D&O insurance requirement
Dispute Resolution	NRS 38.300–.360	Nevada's mediation, referee, and arbitration program for common-interest community disputes (ADR)
Regulatory & Licensing Bodies	NRS 116.600	Commission for Common-Interest Communities and Condominium Hotels

Appendix D Continued

Category	Statute	Subject
Regulatory & Licensing Bodies	NRS Chapter 116A	Licensing and regulation of individual community managers by the Nevada Real Estate Division
	NRS 645C.650, .670, .710, .720	Registration, qualified-employee, and firm-level enforcement provisions governing appraisal management companies, reviewed as a possible regulatory model for community management companies
Collections	NRS 649.375(1)(i)	Prohibition on a collection agency collecting association debt when the agency is owned by or affiliated with the association's community manager (added by SB 186, 2021)
	NRS 649.347	Companion annual-reporting requirement