

**PROPOSED REGULATIONS OF THE COMMISSION  
FOR COMMON INTEREST COMMUNITIES  
AND CONDOMINIUM HOTELS  
NAC 116 FILE NO. R121-10  
July 5, 2010**

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

AUTHORITY: NRS 116.615

Section 1. Chapters 116, 116A and 116B of NAC is hereby amended by adding thereto the provisions set forth as sections two to five, inclusive, of this regulation.

*Sec. 2. The executive board of each association, when meeting in executive session for the purpose of holding a hearing on the alleged violations of a person who may be sanctioned for the alleged violation, shall ensure the person due process, which must include the right to counsel by an attorney or representative or advocate who is not a licensed attorney.*

*Sec. 3. When a unit's owner submits a written complaint alleging a violation of NRS 116 or the governing documents and that complaint is placed on the agenda of a board meeting for the first time, the unit's owner submitting the complaint shall be allowed to make comments regarding his complaint either during the comment period at the beginning of the meeting or at the time that*

*the complaint agenda item comes before the board during the meeting. In either case, the comment period time may be reasonably limited by the board. Should the complaint have multiple complainants, they must choose one representative to make comments during the meeting.*

**Sec. 4. NAC 116.\_\_\_\_ Petition for declaratory order or advisory opinion: Authorization; filing; contents. (NRS 233B.120)**

- 1. Except as otherwise provided in subsection 4, an interested person may petition the Administrator to issue a declaratory order or advisory opinion concerning the applicability or interpretation of:
  - (a) Any provision of this chapter or chapter 116A or 116B;*
  - (b) Any regulation adopted by the Commission, Administrator or the Division; or*
  - (c) Any decision of the Commission, the Administrator or the Division or any of its sections.**
- 2. The original and one copy of the petition must be filed with the Administrator who is authorized to administer or enforce the statute or regulation or to issue the decision.*
- 3. The petition must include:
  - (a) The name and address of the petitioner; and*
  - (b) Contain a clear and concise statement of the issues to be decided by the Division in its declaratory order or advisory opinion.**

*4. An interested person may not file a petition for a declaratory order or an advisory opinion concerning a question or matter that is an issue in an administrative, civil or criminal proceeding in which the interested person is a party.*

**Sec. 5. NAC 116.\_\_\_\_ Petition for declaratory order or advisory opinion: Action by Administrator; record and notice of order or opinion. (NRS 233B.120)**

*1. The Administrator may refuse to review a petition which requests him to issue a declaratory order or advisory opinion if the original petition is not filed pursuant to the requirements set forth in subsection 4(3)(a) and (b) of this regulation.*

*2. The Administrator with whom the petition is filed will:*

*(a) Maintain a record of the declaratory order or advisory opinion that is indexed by subject matter;*

*(b) Respond to a petition filed pursuant to this section within 60 days after the date on which the petition is submitted for consideration; and*

*(c) Upon issuing its declaratory order or advisory opinion, mail a copy of the declaratory order or advisory opinion to the petitioner.*

**Sec. 6. NAC 116.\_\_\_\_\_ Petition for declaratory order or advisory opinion: Oral response prohibited. (NRS 233B.120) The Administrator will not render an oral declaratory order or advisory opinion or respond over the telephone to a request for a declaratory order or an advisory opinion. An oral response or a**

*response given over the telephone by a member of the staff of the Division is not a decision or an advisory opinion of the Division.*

Sec. 7. NAC 116.410 is hereby amended to read as follows:

**NAC 116.410 Adoption by reference of reporting principles and practices of financial accounting.** (NRS 116.615)

1. For purposes of providing recommended reporting principles and practices of financial accounting for common-interest communities, the Commission hereby adopts by reference the **THOMSON PPC'S Accounting and Audit Guide.** [~~Common-Interest Realty Associations-- AICPA Audit and Accounting Guide, May 2004 edition. A copy of the publication may be obtained from the American Institute of Certified Public Accountants, 1211 Avenue of the Americas, New York, New York 10036-8775, by telephone at (888) 777-7077 or at the Internet address <http://www.aicpa.org/index.htm> or <https://www.cpa2biz.com/CS2000/Products/CPA2BIZ/Publications/Sub+1/Common+Interest+Realty+Associations+%97+AICPA+Audit+and+Accounting+Guide.htm>, at a price of \$47 for members and \$58.75 for nonmembers.~~] **A copy of the publication may be obtained by calling (800) 323-8724 or at the Internet address <http://ppc.thomson.com/SiteComposer2/Index.cfm?numProdClassID=201&txtFuse=dspShellProductDetail&numSiteID=2&numTaxonomyTypeID=29&numTaxonomyID=232>, at a price of \$209. Price is subject to change.**

2. If the publication adopted by reference in subsection 1 is revised, the Commission will review the revision to determine its suitability for this State. If the Commission determines that the revision is not suitable for this State, the Commission will hold a public hearing to review its determination and give notice of that hearing within 90 days after the date of the publication of the revision. If, after the hearing, the Commission does not revise its determination, the Commission will give notice that the revision is not suitable for this State within 90 days after

the hearing. If the Commission does not give such notice, the revision becomes part of the publication adopted by reference pursuant to subsection 1.

**Sec. 8. NAC 116.480 is hereby amended to read as follows:**

**NAC 116.480 Restriction on and statements by members of executive boards and officers of associations. ([NRS 116.31185](#), [116.615](#))**

~~[1.]~~ No member of an executive board or officer of an association shall receive, in the aggregate, any gift, incentive, gratuity, reward or other item of value pursuant to subsection 2 of [NRS 116.31185](#) in any calendar year which exceeds the sum of \$100.

~~[2. On or before the annual distribution to each unit's owner of the budgets of the association pursuant to subsection 1 of [NRS 116.31151](#), each member of an executive board and officer of an association shall deliver to the executive board for inclusion in the annual distribution of the budgets a statement of any gifts, incentives, gratuities, rewards or other items of value which exceed \$15 received pursuant to subsection 2 of [NRS 116.31185](#).]~~

**Sec. 9. NAC 116.482 is hereby amended to read as follows:**

**NAC 116.482 Restriction on and statements by community managers and employees of community managers. ([NRS 116.31185](#), [116.615](#))**

1. No community manager or employee of the community manager shall receive, in the aggregate, any gift, incentive, gratuity, reward or other item of value pursuant to subsection 2 of [NRS 116.31185](#) in any calendar year which exceeds the sum of \$500.

~~—[2. On or before the date of renewal of a license for a community manager, each community manager shall disclose to the Division, in the renewal form, a statement of any gifts, incentives, gratuities, rewards or other items of value which exceed \$15 received pursuant to subsection 2 of [NRS 116.31185](#) during each of the years following the last renewal.]~~