

June 25, 2025

Nevada Common Interest Communities
Nevada Common Interest Community Managers

Re: *Legislative Updates*

Dear All:

The 83rd legislative session that ended on June 2, 2025 was a particularly active session. Over 485 bills were passed by the legislature and signed into law by Governor Lombardo. At least six (6) bills were introduced that affect Nevada Common-Interest Communities, their managers, and attorneys, only one (1) of which was approved by Governor Lombardo. The following summary is provided for your informational purposes. The complete text of the bills can be found at <http://www.leg.state.nv.us/>.

AB129 (vetoed – no further action)

AB129 would have changed the bid requirements contained in NRS 116.31086. NRS 116.31086 currently provides that an association must solicit at least three bids “whenever reasonably possible.” AB 129 would have imposed a requirement that the association “shall” solicit at least three bids unless the delay would exacerbate property damage. AB 129 would have also required the association to award the contract to the “lowest responsive bidder.”

SB121 (vetoed – no further action)

SB121 was the most expansive bill affecting common-interest communities and sought to impose various new requirements as follows:

1. Add a new section affecting new construction that the governing documents of an association may not require the unit’s owner to install landscaping in the backyard sooner than 24 months after the close escrow, except that the governing documents may require the unit’s owner to install a thin layer of rock in the back yard not sooner than 12 months after the close of escrow.
2. Amend NRS 116.310313 regarding collections so that an association may not charge late fees or report any past due obligation to a credit reporting agency sooner than 30 days after any obligation becomes past due.
3. [Oil Stain Exception] Amend subsection 6 of NRS 116.3115, which currently allows an association to assess common expenses against a specific unit if the expenses were caused by willful misconduct or gross negligence of the unit’s owner, tenant or invitee of the unit’s owner or tenant, to prohibit the association from assessing the unit for an oil stain located entirely on the driveway of the unit’s owner.



4. [Explicit Advertising Exception]. Amend subsection 3 of NRS 116.350, which currently allows the association to limit parking of recreational vehicles and commercial vehicles with a gross vehicle weight of 20,000 pounds or less on public streets, to add new language allowing the association to limit parking of recreational or commercial vehicles having a gross vehicle weight of 10,000 pounds or less and require the owner to cover up commercial advertising, if the advertising contains a sexual portrayal (as described in NRS 200.700) or advertises the sale of a controlled substance.

5. [No Easy Exits]. Add new language to NRS 116.620 regarding management agreements that would require the association to give a forty (40) day notice of pending termination of the management contract by posting and emailing, and thereafter, to post and email notice of the termination. These requirements would have applied to common-interest communities of 100 units or more.

SB201 (approved by Governor – effective July 1, 2025)

SB201 adds a new section to Chapter 116 of NRS to prevent the association from restricting the display of “religious or cultural items” within such physical portion of the common-interest community as that owner has a right to occupy and use exclusively. This new section has various exceptions and allows the association to restrict displays that are greater than 36 x 12 square inches, hinders access, threatens health, safety or welfare, contains graphic or obscene materials, and allows maintenance workers to temporarily move such displays to perform maintenance work. As used in this section, *“Display of religious or cultural items” means an item displayed or affixed in or on a unit because of sincerely held religious or cultural beliefs, practices or traditions.*

SB201 contains a corresponding amendment to Chapter 118A which governs residential leases, to require the lease to include language advising the tenant of the right to display religious and cultural items on the door or doorframe and within the unit.

SB201 allows attorney’s fees to the prevailing party in any action to enforce the provisions of this section.

SB222 (vetoed – no further action)

SB222 would have amended subsection 9 of NRS 116.3108 and subsection 12 of NRS 116.31083 which allow a unit’s owner to record a meeting “on audiotape or any other means of sound reproduction” to allow the unit’s owner to record the meeting “through any means of sound or video recording or reproduction.”

SB339 (vetoed – no further action)

SB339 was intended to provide specific requirements for financial statements, but would have substantially expanded the authority of the Ombudsman’s office and imposed significant burdens on associations as follows:



1. (Expanded audit and investigatory powers).

NAC 116.550 currently provides as follows:

NAC 116.550 Investigation and audit of financial accounts of association; remedial and disciplinary action. ([NRS 116.615](#))

1. The Division may investigate and audit all financial accounts related to an association if the Division has reasonable cause to believe that the accounts or records of the association have not been properly maintained and the Division:

(a) Has reasonable cause to believe or has received a credible complaint that the association is insolvent or is in any financial condition or has engaged in any financial practice which creates a substantial risk of insolvency; or

(b) Determines that the investigation and audit are reasonably necessary to assist the Division in administering or enforcing any other provision of this chapter, [chapter 116](#) of NRS or any other statute that the Division is charged with administering or enforcing.

2. The Commission may, after notice and hearing, take action pursuant to [NRS 116.785](#) if the Division finds that a person has committed a violation of this chapter or [chapter 116](#) of NRS.

3. As used in this section, “insolvent” or “insolvency” means a condition in which an association is unable to meet its, or a community manager is unable to meet his or her, liabilities as those liabilities become due in the regular course of the association’s or community manager’s business and which creates a substantial risk of harm to the association.

SB339 would have added a similar but expanded new section to Chapter 116 of NRS that would allow the Division to *“investigate and audit all financial accounts related to an association if the Division has reasonable cause to believe that the accounts or records of the association have not been properly maintained...”*

2. (Investigate candidates for executive board). Within three (3) days after nomination for candidacy to the executive board, each candidate would be required to submit an application for the Division to prepare a report on the background of the candidate.

3. (Training of executive board members). Executive board members would be required to complete a training and orientation to be established by the Division.

4. (Structural inspections). Structural inspection reports would be required as part of the budget reserve study requirements in NRS 116.31152.



SB433 (vetoed – no further action)

SB433 would have made two (2) substantial changes. First, it would have added a new section with expansive provisions to prevent bullying and intimidation. Second, for certain residential structures more than three (3) stories in height, the declarant would be required to provide a maintenance manual.

Feel free to contact me with any questions you may have regarding these new bills or any other questions you may have regarding your common-interest communities.

Sincerely,

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