### ADOPTED REGULATION OF THE COMMISSION FOR

### **COMMON-INTEREST COMMUNITIES**

#### **LCB File No. R107-04**

Effective August 25, 2004

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

AUTHORITY: §1, NRS 116.705.

A REGULATION relating to common-interest communities; establishing a fee for the examination required to obtain a certificate as a community manager of a commoninterest community; revising other provisions governing the examination; and providing other matters properly relating thereto.

**Section 1.** NAC 116.130 is hereby amended to read as follows:

116.130 1. Each applicant for a certificate must [take] pass an examination which has been approved by the Division [The Division shall notify an applicant of the time and place of each examination not later than 30 days before the date scheduled for the examination.

2. To pass the examination, an applicant must receive a score of at least 75 percent on the examination.] with a minimum score of 75 percent. The Division will only accept results of an examination taken during the 12 months immediately preceding the date of the application for a certificate.

- The fee for the examination required pursuant to subsection 1 is \$100.
- 3. An applicant who fails the examination *required pursuant to subsection 1* may retake the examination.

# NOTICE OF ADOPTION OF PROPOSED REGULATION LCB File No. R107-04

The DEPARTMENT OF BUSINESS & INDUSTRY, REAL ESTATE DIVISION, COMMISSION FOR COMMON-INTEREST COMMUNITIES adopted regulations assigned LCB File No. R107-04, which pertain to Chapter 116 of the Nevada Administrative Code on June 28, 2004.

Notice date: 5/17/2004 Date of adoption by agency: 6/28/2004

**Hearing date:** 6/28/2004 **Filing date:** 8/25/2004

### INFORMATIONAL STATEMENT

1. A description of how public comment was solicited, a summary of public response, and an explanation how other interested persons may obtain a copy of the summary.

Notice of the proposed regulations were posted on the Real Estate Division website, all of the county public libraries in the State of Nevada and in various other public locations where both the public and other interested persons would have access to that information. The Division conducted a public workshop on June 17, 2004, which was video-linked between our Carson City office and our Las Vegas office. Public comment was also solicited at the public hearing on July 28, 2004.

2. The number of persons who:

Attended workshops: 7
Attended hearing: 5
Submitted written comments: 0

3. A description of how comment was solicited from affected businesses, a summary of their response, and an explanation how other interested persons may obtain a copy of the summary.

Affected businesses were able to comment in the public workshop and hearing or in writing, a summary of the oral comments are attached hereto.

4. If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.

The regulation was changed with an amendment proposed by the Real Estate Division staff. There was no opposition stated by any of the members of the public that attended the workshop or hearing.

5. The estimated economic effect of the adopted regulation on the business which it is to regulate and on the public. These must be stated separately, and each case must include:

## **Business which it is to regulate:**

(1) Both adverse and beneficial effects: and

**Adverse effects:** A person seeking to obtain a license under this chapter will have some an additional fee to pay for the examination.

**Beneficial effects:** The fact that the examination will be given by an examination service will provide better availability of the exam and flexibility in scheduling an exam.

(2) Both immediate and long-term effects.

**Immediate effects:** The immediate effect will be that the applicants will have some additional fees to pay.

**Long-term effects:** The long-term effect should be better flexibility for the applicant to take the examination and should allow for protection of the integrity of the examination.

### **Public:**

(1) Both adverse and beneficial effects: and

**Adverse effects:** There are no known adverse effects to the public by the adoption of this regulation.

**Beneficial effects:** Due to the added protection of the integrity of the examination, there should be better educated and qualified managers for the public to deal with.

(2) Both immediate and long-term effects:

**Immediate effects:** There are no known immediate effects to the public. **Long-term effects:** The anticipation is that the long-term effects will result in more qualified licensees and the public should not be harmed by the work of under-educated community managers.

6. The estimated cost to the agency for enforcement of the adopted regulation.

Cost of handbook production. Cost of educating the public and regulated licensees regarding the new regulation. Cost of regulation review.

7. A description of any regulations of other state or government agencies which the proposed regulation overlaps or duplicates and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.

There is no other state, federal or other governmental agency's regulations, which the proposed regulations duplicate or overlap.

8. If the regulation includes provisions, which are more stringent than a federal regulation which regulates the same activity, a summary of such provisions.

N/A

9. If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.

Section 1 establishes a fee for the examination required to become certified as a community manager. This \$100 fee will be charged to each applicant when they register for the examination. By charging this fee the Division may utilize the services of an examination service that it has already contracted with. At this time the examination service charges \$49.00 for every examination administered. Therefore, revenue of \$51 per examination will be generated and forwarded to the general fund. The estimate of examinations per year is 300 therefore resulting in an annual revenue of \$15,300.