#### **LCB FILE NO. R165-09**

## PROPOSED REGULATION OF THE COMMISSION ON COMMON-INTEREST COMMUNITIES AND CONDOMINIUM HOTELS

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

#### **AUTHORITY: NRS 116A.200**

Section 1. Chapter 116A of NAC is hereby amended by adding thereto the provisions set forth as sections two and three of this regulation.

- Sec. 2. Temporary Certificate for Community Manager: General requirements:
  - 1. Submit application;
  - 2. Attach two fingerprint cards with required fee made out to Department of Public Safety or provide verification that fingerprints were taken and forwarded electronically;
  - 3. Provide evidence of qualification by submitting:
    - a) proof of a professional designation in the field of management of a common-interest community from a nationally recognized organization and evidence that applicant has been engaged as a full-time community manager of a common-interest community for at least 5 years and has not been the subject of any disciplinary action in another state in connection with the management of a common-interest community;
    - b) proof of an offer of employment as a community manager from an association or its agent based upon determination by the executive board that the applicant has sufficient management experience to perform the duties of a community manager; and
    - c) Acceptable proof of an offer of employment shall be the agenda and the approved minutes from the meeting of an executive board which voted to hire a person.
- 4. Pay a fee of \$100.00 for a temporary certificate which is issued for a period of one year only and will expire one year from issuance.
- Sec. 3. Temporary Certificate for Community Manager: General provisions:
  - 1. A temporary certificate may not be renewed.
  - 2. An individual may only ever be issued one temporary certificate.

- 3. If a person terminates a relationship with the offerer of employment, the temporary certificate will terminate. The offerer is responsible for contacting the Division within 10 days of the temporary certificate holders termination.
- 4. In order to meet requirements for issuance of a community manager certificate, a holder of temporary certificate must complete within the 1-year period:
  - a) 18 hours of instruction relating to NRS 116 of this chapter; and
  - b) Pass the State of Nevada examination for Community Manager.
- 5. At the conclusion of the one year period, a person who has successfully completed the requirements for a temporary certificate and who submits an application for a certificate and pays the required fee for application and issuance of a certificate shall be issued a certificate.

#### Sec. 4. NAC 116A.175 is hereby amended to read as follows:

**NAC 116.175 Provisional community managers: General requirements.** (NRS 116.615, 116A.200, 116A.400, 116A.410)

- 1. A provisional community manager must:
- (a) Be [associated with a supervising] supervised by a community manager for a minimum of 2 years; and
- (b) Except as otherwise provided in NAC 116.180, within 2 years after the issuance of the certificate granting provisional status, obtain 3,120 hours of active experience in the following areas:
  - (1) Financial management of an association;
  - (2) Property and facilities management;
- (3) Specific duties relating to the management of a common-interest community as provided in this chapter and chapter 116 of NRS;
  - (4) Governance of an association;
  - (5) Insurance coverage; and
  - (6) Building a sense of community within an association.
- 2. Except as otherwise provided in subsection 3, upon obtaining 2 years of active experience in this State, a provisional community manager is entitled to act as a community manager without being associated with a supervising community manager if the provisional community manager submits to the Division:

- (a) A statement, on a form prescribed by the Division, completed and signed by his supervising community manager that verifies:
- (1) The extent of the active experience gained in each of the areas set forth in subsection 1; and
- (2) That the provisional community manager has met the active experience requirements set forth in subsection 1;
- (b) A certificate of completion for the 18 hours of continuing education required pursuant to NAC 116.160; and
  - (c) The fee required by NAC 116.505 for the renewal of a certificate.
- 3. A provisional community manager may submit to the Division evidence of any other education or experience that the Division may deem to be equivalent to the requirements of this section.

#### Sec. 5. NAC 116A.185 is hereby amended to read as follows:

# NAC 116.185 Supervising community managers: Qualifications and responsibilities. (NRS 116.615, 116A.200, 116A.400, 116A.410)

- 1. A community manager is qualified to act as a supervising community manager if:
- (a) He submits to the Division, on a form prescribed by the Division, an application to act as a supervising community manager;
- (b) He has been actively engaged in the full-time management of a common-interest community in this State, another state or the District of Columbia for at least 4 years immediately preceding his becoming a supervising community manager, with at least 2 of the 4 years of experience obtained in this State;
- (c) He is in good standing with the Division or any state or the District of Columbia where he is licensed or certified; and
- (d) He is competent to engage in the management of a common-interest community and the supervision of community managers in a manner which will safeguard the interests of the public.
  - 2. A supervising community manager is responsible for:
  - (a) Supervising one or more provisional community managers or community managers. [who are associated with him];

- (b) Determining the competency of the provisional community managers or community managers who are associated with him to perform delegated tasks of managing a common-interest community;
- (c) Teaching the provisional community managers and community managers who are associated with him the fundamentals of managing a common-interest community and the ethics of the profession;
  - (d) Supervising the activities and operation of managing a common-interest community;
- (e) Establishing the policies, rules, procedures and systems that will allow the supervising community manager to review, oversee and manage any business conducted by the provisional community managers or community managers who are associated with him, including any other employees;
- (f) Establishing reasonable procedures and safeguards for the filing, storage, handling and maintenance of documents that may have a material effect upon the rights or obligations of the parties to the management agreement and the association affected by the management agreement; and
- (g) Establishing reasonable procedures and safeguards for the handling of any money received on behalf of a client.
- 3. In establishing the policies, rules, procedures and systems pursuant to subsection 2, a supervising community manager shall consider the number of community managers and other employees associated with the supervising community manager and the number and location of branch offices operated or managed by the supervising community manager.
- 4. The supervising community manager shall appoint for each branch office a supervising community manager to supervise and oversee the activities and operations of the branch office.

### Sec. 6. NAC 116A.505 is hereby amended to read as follows:

NAC 116A.505 Fees of Division. (NRS 116.615, 116.665, 116A.200, 116A.410)

The Division shall charge and collect the following fees:

[For application for a certificate	<del> \$175]</del>
[For issuance of a certificate	25]
For application and issuance of a certificate	200
For application and issuance of a temporary 1-year certificate	100

For examination of an applicant for a certificate	100
For biennial renewal of a certificate	. <del>[100]</del> <b>200</b>
For late renewal of a certificate	50
For reinstatement of an inactive certificate	20
For issuance of a duplicate certificate	20
For change of name or address on a certificate	20
For change of status as a community manager, provisional community	
manager or supervising community manager on a certificate	20
For change of association with a supervising community manager	20
For approval of courses to meet the requirements for original certification	on100
For approval of a course for continuing education	100
For renewal of an approval of a course for continuing education	50