

**PROPOSED REGULATION OF THE COMMISSION FOR
COMMON-INTEREST COMMUNITIES AND CONDOMINIUM HOTELS**

LCB FILE NO. R125-12

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

AUTHORITY: NRS 116.615

Section 1. NAC 116.520 is hereby amended to read as follows:

NAC 116.520 Subsidization of proceedings for binding arbitration *and mediation*. (NRS 116.615, 116.670)

1. The Division may subsidize proceedings for binding arbitration *or mediation* conducted pursuant to NRS 38.300 to 38.360, inclusive:

(a) For the parties that agree to binding arbitration *or mediation*; and

(b) To the extent that funds are available in the Account for Common-Interest Communities and Condominium Hotels in the State General Fund for that purpose.

2. A party who wishes to have a proceeding for *mediation or* arbitration subsidized must:

(a) Submit an application to the Division on a form prescribed by the Division;

(b) File a claim for binding arbitration *or mediation* within 1 year after the date of discovery of the alleged violation; and

(c) If the applicant is an association, be registered and in good standing with the Office of the Ombudsman for Owners in Common-Interest Communities and Condominium Hotels.

3. A unit's owner is eligible to have one proceeding for *mediation or* arbitration subsidized per fiscal year for each unit that he or she owns.

4. An association is eligible to have one proceeding for *mediation or* arbitration subsidized per fiscal year against the same unit's owner for each unit that he or she owns.

5. The funds used to subsidize a proceeding for *mediation or* arbitration pursuant to this section:

(a) Must not be applied to the fee required when filing a written claim pursuant to NRS 38.320 or any attorneys' costs or fees associated with the claim; and

(b) Must be the lesser of 50 percent of the fees owed by a party to the *mediation or* arbitrator or \$500.

6. The Division shall provide notice to a *mediator or* an arbitrator that a proceeding for *mediation or* arbitration may be subsidized by forwarding to the *mediator or* arbitrator a copy of the application received pursuant to subsection 2.

7. If an application for subsidy is approved by the Division, the arbitrator *or mediator* shall, within 10 business days after his or her final decision *or conclusion of the mediation*, submit to the Division:

(a) On a form prescribed by the Division, a request for payment of the cost of *mediation or* arbitration; and

(b) A copy of the final decision ~~on the form provided by the Division, of the original mediator's statement. The mediator's statement must include a true and correct copy of any~~

agreement, including a temporary agreement, entered into between the parties during mediation.

8. The Division shall pay the cost of *mediation or* arbitration pursuant to this section, *up to the maximum amount set forth in subsection 5* at the time the Division receives a copy of the final *mediator's statement* decision from the *mediator or* arbitrator and issues a certificate pursuant to NAC 38.350.