

**THE NINTY-SIXTH DAY**

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CARSON CITY (Friday), May 13, 2011

Assembly called to order at 12:06 p.m.

Mr. Speaker presiding.

Roll called.

All present except Assemblymen Bobzien and Hammond, who were excused.

Prayer by the Chaplain, Dr. Ken Haskins.

Our Heavenly Father, these are challenging times. At times, the tasks before us seem to be impossible. Still, we know that all things are possible with You. So provide for us all things needed to perform well and to promote the best interests of all Nevadans. I pray in Jesus' Name.  
AMEN.

Pledge of allegiance to the Flag.

Assemblyman Conklin moved that further reading of the Journal be dispensed with, and the Speaker and Chief Clerk be authorized to make the necessary corrections and additions.

Motion carried.

**REPORTS OF COMMITTEES**

*Mr. Speaker:*

Your Committee on Ways and Means has had under consideration the various budgets for the Department of Administration, Information Technology Division and the Department of Information Technology, and begs leave to report back that the following accounts have been closed by the Committee:

- Administration – Information Technology Division (101-1320)
- Administration – Information Technology Projects (101-1325)
- Information Technology – Office of Chief Information Officer (721-1373)
- Information Technology – Application Support (721-1365)
- Information Technology – Computer Facility (721-1385)
- Information Technology – Data Communications and Network Engineering (721-1386)
- Information Technology – Telecommunications (721-1387)
- Information Technology – Network Transport Services (721-1388)
- Information Technology – Security (721-1389)

Also, your Committee on Ways and Means has had under consideration the various budgets of the Nevada State Energy Office, and begs leave to report back that the following accounts have been closed by the Committee:

- Governor's Office Energy Conservation (101-4868)
- Renewable Energy and Energy Efficiency Authority (101-4869)
- Renewable Energy, Efficiency and Conservation Loan (101-4875)

Also, your Committee on Ways and Means has had under consideration the budgets for the Western Interstate Commission for Higher Education, and begs leave to report back that the following accounts have been closed by the Committee:

Western Interstate Commission for Higher Education Administration (101-2995)  
Western Interstate Commission for Higher Education Loan and Stipend (101-2681)

DEBBIE SMITH, *Chair*

REMARKS FROM THE FLOOR

Assemblyman Conklin moved that the following remarks be entered in the Journal.

Motion carried.

ASSEMBLYMAN CONKLIN:

**Administration – Information Technology (IT) Division (101-1320) ADMIN-25:**

The Committee approved the Governor's recommendations to eliminate the Department of Administration's Information Technology Division account, including the elimination of 0.80 FTE positions, the transfer of NEBS and software license administration to the Department of Administration, and the transfer of e-payment administration to the Office of the State Treasurer. The elimination of the IT Division Administrator provides General Fund savings of \$94,220 in FY 2012 and \$95,714 in FY 2013.

**Administration – Information Technology (IT) Projects (101-1325) ADMIN-30:**

The Committee approved closing the IT Projects budget account as recommended by the Governor with a letter of intent directing the Department to reestablish the project oversight committee to provide oversight of technology investment projects approved within their respective agencies for the 2011-13 biennium.

**Administration – IT – Office of Chief Information Officer (721-1373) ADMIN-111:**

The Committee approved the Governor's recommendations to merge DoIT with the Department of Administration, rename DoIT the Division of Enterprise Information Technology (IT) Services, and rename the DoIT Director's Office budget account the Office of the Chief Information Officer (CIO). With technical adjustments, the Committee approved the Governor's recommendations to eliminate 8 positions due to a duplication of effort, as well as to reclassify the Deputy Director to a Division Administrator/State CIO and relocate staff from leased space to a state-owned building. The Committee also approved the Governor's recommendations, including: transferring 1 position to the Budget and Planning Division to be the Chief of the Research, Planning, and Grants Management Unit; transferring DoIT's Fiscal Unit, consisting of 5 positions, to the Department of Administration's Administrative Services Division; and transferring 3 positions to the Office of the CIO budget account to consolidate the Department of Administration's PC/LAN Tech and Desktop Support.

**Administration – IT – Application Support (721-1365) ADMIN-121:**

Due to the merger with the Department of Administration, DoIT's Application Design and Development Division is renamed the Division of Enterprise IT Services Application Support budget account and becomes the customer-face of the Division of Enterprise IT Services. The Committee approved the Governor's recommendations to transfer 13 positions to the Application Support budget account in order to consolidate statewide Help Desk support and establish a new Enterprise Business Analysis Unit, with related position reclassifications, and staff relocation from leased space to a state-owned building. The Committee also approved the elimination of 1 vacant position and the reassignment of 1 position to the Web Services group to provide programming skills required for web development, as recommended by the Governor.

**Administration – IT – Computer Facility (721-1385) ADMIN-131:**

Due to the merger with the Department of Administration, DoIT's Computing Division is renamed the Division of Enterprise IT Services Computer Facility budget account. The Committee approved the Governor's recommendations to transfer one position to the Office of the CIO budget account for consolidating PC/LAN Tech and Desktop support. The Committee approved the transfer of 5 positions to the Application Support budget account to consolidate statewide Help Desk support, as well as staff relocation between state-owned facilities as recommended by the Governor. The Committee approved the Governor's recommendation to add 1 position to perform back-end functions in support of the Secretary of State's Portal project and to support the Unix Service and Virtual Server environment. The Committee also approved the Governor's recommendation to upgrade the existing Z9 mainframe to a Z10 mainframe due to the operating benefits and cost-effectiveness associated with the upgrade.

**Administration – IT – Telecommunications (721-1387) ADMIN-148:**

The Committee approved the Governor's recommendation to conduct a telecommunications study, with a letter of intent to be issued in order to monitor the findings of the study and the resulting implementation plan to consolidate state telecommunications and related systems.

The Committee approved closing the following Department of Administration's Division of Enterprise IT Services budget accounts as recommended by the Governor:

- Data Communications and Network Engineering (721-1386) ADMIN-141
- Network Transport Services (721-1388) ADMIN-155
- Security (721-1389) ADMIN-165

**ASSEMBLYWOMAN CARLTON:**

The Assembly Committee on Ways and Means has completed its review of the various budgets for the Nevada State Energy Office (NSOE) for the 2011-13 biennium. The closing recommendations for these accounts result in General Fund savings of \$490,181 over the biennium, as compared to the amounts recommended by the Governor.

**Governor's Office Energy Conservation (101-4868) ELECTED-30:**

The Committee approved the Governor's recommendation to eliminate seven ARRA funded positions during the 2011-13 biennium in the base budget and NSOE's recommendation not to establish the Outreach Coordinator position originally requested for the Nevada Retrofit Initiative grant.

The Committee approved the Governor's recommendation, as amended, to restore four positions recommended for elimination in the base budget, subject to approval of the provisions of S.B. 60, which would allow interest and income earned through the repayment of loans to be used for administrative expenditures.

The Committee did not approve the Governor's amended recommendation to increase the salary for the Director's position during the 2011-13 biennium.

The Committee approved the Governor's recommendation to eliminate two positions in FY 2013, resulting in a General Fund reduction of \$92,649.

The Committee approved the Governor's recommendation to utilize property tax abatement program revenue to support the NSOE during the 2011-13 biennium. The Committee also approved the utilization of a portion of the property tax abatement program revenue to offset General Fund appropriations in the NSOE account, which totaled \$490,181 in The Executive Budget for the 2011-13 biennium. The Committee retained General Fund appropriations of \$100 in each year of the 2011-13 biennium and approved authority for NSOE to request General Fund advances for cash flow purposes.

**Renewable Energy & Energy Efficiency Authority (101-4869) ELECTED - 41:**

The Committee approved the Governor's recommendation to consolidate the Renewable Energy and Energy Efficiency Authority with the NSOE.

The Committee also approved the Governor's recommendation, as amended, to eliminate the Nevada Energy Commissioner and Executive Assistant positions and to restore and transfer the Management Analyst II position to the NSOE.

**Renewable Energy, Efficiency and Conservation Loan (101-4875) ELECTED-48:**

The Committee voted to issue a letter of intent requiring NSOE to report to the Interim Finance Committee in December 2011 on the outcome of the recommendation to require borrowers to pay escrow costs.

The Committee also voted to issue a letter of intent requiring NSOE to report to the Interim Finance Committee on a semi-annual basis regarding the loans that have been issued to date, the amount of interest and principal paid to the State, and the funding available for new loans.

Finally, the Committee voted to approve the transfer of interest income earned through the repayment of loans to the NSOE account for expenditures associated with administration of the loan fund, subject to approval of the provisions of S.B. 60.

ASSEMBLYWOMAN MASTROLUCA:

**WICHE Administration (101-2995) NSHE-108:**

The Committee closed the WICHE Administration account as recommended by the Governor.

**WICHE Loan and Stipend (101-2681) NSHE-112:**

The Committee concurred with the WICHE Commission's recommendation to reduce the loan and stipend repayment revenues by \$53,207 in FY 2012 and \$68,446 in FY 2013 to reflect updated repayment projections. The Committee also concurred with the Commission's recommendation to reduce the number of student slots from the 104 in each fiscal year recommended by the Governor to 90 in FY 2012 and 89 in FY 2013 to reflect the reduced revenues.

In addition, the Committee approved the Commission's request for budgetary authority to balance forward to the next fiscal year unexpended loan and stipend repayment revenues received after May 15 of each fiscal year. Finally, the Committee approved a letter of intent to provide direction on the expenditure of balanced forward funds, as well as continue the existing letter of intent pertaining to the reporting on student slot reallocations approved by the Commission.

#### REPORTS OF COMMITTEES

*Mr. Speaker:*

Your Committee on Education, to which were referred Senate Bills Nos. 14, 35, 229, 318, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

DAVID P. BOBZIEN, *Chair*

*Mr. Speaker:*

Your Committee on Transportation, to which was referred Senate Bill No. 51, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

MARILYN DONDERO LOOP, *Chair*

*Mr. Speaker:*

Your Committee on Ways and Means, to which was rereferred Assembly Bill No. 419, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass, as amended.

Also, your Committee on Ways and Means, to which was referred Assembly Bill No. 483, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

DEBBIE SMITH, *Chair*

MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, May 11, 2011

*To the Honorable the Assembly:*

I have the honor to inform your honorable body that the Senate on this day passed Assembly Bills Nos. 107, 161, 244, 269, 284, 321, 352, 355, 408, 429, 441, 538, 556.

Also, I have the honor to inform your honorable body that the Senate on this day adopted Assembly Concurrent Resolution No. 3.

Also, I have the honor to inform your honorable body that the Senate amended, and on this day passed, as amended, Assembly Bill No. 109, Amendment No. 558; Assembly Bill No. 211, Amendment No. 560; Assembly Bill No. 271, Amendment No. 557, and respectfully requests your honorable body to concur in said amendments.

SHERRY L. RODRIGUEZ  
*Assistant Secretary of the Senate*

INTRODUCTION, FIRST READING AND REFERENCE

By the Committee on Legislative Operations and Elections:

Assembly Bill No. 570—AN ACT relating to elections; revising the districts from which the members of the Board of Regents of the University of Nevada are elected; and providing other matters properly relating thereto.

Assemblyman Conklin moved that the bill be referred to the Committee on Legislative Operations and Elections.

Motion carried.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Conklin moved that all bills, just reported out of committee, be placed on the appropriate reading file.

Motion carried.

GENERAL FILE AND THIRD READING

Assembly Bill No. 519.

Bill read third time.

Remarks by Assemblyman Hardy.

Roll call on Assembly Bill No. 519:

YEAS—40.

NAYS—None.

EXCUSED—Bobzien, Hammond—2.

Assembly Bill No. 519 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Senate Bill No. 49.

Bill read third time.

Remarks by Assemblywoman Diaz.

Roll call on Senate Bill No. 49:

YEAS—40.

NAYS—None.

EXCUSED—Bobzien, Hammond—2.

Senate Bill No. 49 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 84.

Bill read third time.

Remarks by Assemblywoman Dondero Loop.

Roll call on Senate Bill No. 84:

YEAS—38.

NAYS—Ellison, Goedhart—2.

EXCUSED—Bobzien, Hammond—2.

Senate Bill No. 84 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 193.

Bill read third time.

Remarks by Assemblywoman Carlton.

Roll call on Senate Bill No. 193:

YEAS—40.

NAYS—None.

EXCUSED—Bobzien, Hammond—2.

Senate Bill No. 193 having received a two-thirds majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Senate Bill No. 218.

Bill read third time.

Remarks by Assemblyman Horne.

Roll call on Senate Bill No. 218:

YEAS—40.

NAYS—None.

EXCUSED—Bobzien, Hammond—2.

Senate Bill No. 218 having received a two-thirds majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 408.

Bill read third time.

Remarks by Assemblywoman Carlton.

Roll call on Senate Bill No. 408:

YEAS—35.

NAYS—Atkinson, Conklin, Kirkpatrick, Ocegüera, Smith—5.

EXCUSED—Bobzien, Hammond—2.

Senate Bill No. 408 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

#### MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Conklin moved that Senate Joint Resolution No. 8 be taken from the General File and placed on the General File for the next legislative day.

Motion carried.

#### GENERAL FILE AND THIRD READING

Senate Joint Resolution No. 14.

Resolution read third time.

Remarks by Assemblywoman Flores.

Roll call on Senate Joint Resolution No. 14:

YEAS—32.

NAYS—Ellison, Goedhart, Hambrick, Hansen, Kirner, Kite, Livermore, Sherwood—8.

EXCUSED—Bobzien, Hammond—2.

Senate Joint Resolution No. 14 having received a constitutional majority, Mr. Speaker declared it passed.

Resolution ordered transmitted to the Senate.

Assembly Bill No. 419.

Bill read third time.

Remarks by Assemblyman Goicoechea.

Roll call on Assembly Bill No. 419:

YEAS—40.

NAYS—None.

EXCUSED—Bobzien, Hammond—2.

Assembly Bill No. 419 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

#### SECOND READING AND AMENDMENT

Assembly Bill No. 483.

Bill read second time.

The following amendment was proposed by the Committee on Ways and Means:

Amendment No. 574.

AN ACT making a supplemental appropriation to the State Distributive School Account for unanticipated shortfalls in Fiscal Year 2010-2011 in certain tax revenue; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

**Section 1.** There is hereby appropriated from the State General Fund to the State Distributive School Account created by NRS 387.030 the sum of ~~(\$140,833,873)~~ **\$96,983,227** to cover unanticipated shortfalls in the revenue from the Local School Support Tax and the ad valorem tax pursuant to subsection 1 of NRS 387.195. This appropriation is supplemental to that made by section 4 of chapter 389, Statutes of Nevada 2009, at page 2129.

**Sec. 2.** This act becomes effective upon passage and approval.

Assemblyman Hickey moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Senate Bill No. 14.

Bill read second time and ordered to third reading.

Senate Bill No. 35.

Bill read second time and ordered to third reading.

Senate Bill No. 51.

Bill read second time and ordered to third reading.

Senate Bill No. 229.

Bill read second time and ordered to third reading.

Senate Bill No. 318.

Bill read second time and ordered to third reading.

UNFINISHED BUSINESS

CONSIDERATION OF SENATE AMENDMENTS

Assembly Bill No. 271.

The following Senate amendment was read:

Amendment No. 557.

AN ACT relating to real property; providing for the regulation of private transfer fee obligations affecting real property; providing that certain such obligations are void and unenforceable; revising the disclosures that a seller of real property must make to a buyer to include certain information concerning such obligations; and providing other matters properly relating thereto.



Legislative Counsel's Digest:

This bill regulates the imposition of private transfer fee obligations upon the transfer of an interest in real property in this State. **Section 6** of this bill defines a "private transfer fee obligation" to mean an obligation arising under a declaration or covenant recorded against the title to real property, or under any other contractual agreement or promise, whether or not recorded, that requires or purports to require the payment of a private transfer fee to the declarant or other person specified in the declaration, covenant or agreement, or to his or her successors or assigns, upon a subsequent transfer of an interest in the real property. **Section 9** of this bill sets forth the finding and declaration of the Legislature that a private transfer fee obligation violates the public policy of this State by impairing the marketability and transferability of real property and by constituting an unreasonable restraint on the alienation of real property. **Section 10** of this bill provides that certain private transfer fee obligations that are created or recorded in this State on or after the date of passage and approval of this bill are void and unenforceable. **Sections 11 and 12** of this bill require the payee under a private transfer fee obligation that was created before the date of passage and approval of this bill to record, on or before ~~December 31, 2011,~~ **July 31, 2012**, in the office of the county recorder of the county in which the real property that is subject to the private transfer fee obligation is located, a notice which includes certain specified information and to respond timely to a request for a written statement of the amount of the transfer fee due upon the sale of the real property, and provides that the private transfer fee obligation becomes void and unenforceable upon failure to comply with either requirement. In addition, **section 13** of this bill imposes civil liability upon a person who fails to comply with either of these requirements or who creates or records a private transfer fee obligation in the person's favor on or after the date of passage and approval of this bill. **Section 14** of this bill revises the disclosures that a seller of real property must make to a buyer by requiring a seller of real property that is subject to a private transfer fee obligation to furnish to the buyer a written statement which discloses the existence of the private transfer fee obligation, includes a description of the private transfer fee obligation and sets forth a notice which includes information concerning applicable state laws and the effect that such an obligation may have on the value of the property.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

**Section 1.** Chapter 111 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 13, inclusive, of this act.

Sec. 2. *As used in sections 2 to 13, inclusive, of this act, the words and terms defined in sections 3 to 8, inclusive, of this act have the meanings ascribed to them in those sections.*

Sec. 3. *“Buyer” includes, without limitation, a grantee or other transferee of an interest in real property.*

Sec. 4. *“Payee” means the natural person to whom or the entity to which a private transfer fee is to be paid and the successors or assigns of the natural person or entity.*

Sec. 5. 1. *“Private transfer fee” means a fee or charge required by a private transfer fee obligation and payable upon the transfer of an interest in real property, or payable for the right to make or accept such a transfer, regardless of whether the fee or charge is a fixed amount or is determined as a percentage of the value of the interest in real property or the purchase price or other consideration paid for the transfer of the interest in real property.*

2. *The term does not include any:*

(a) *Consideration payable by the buyer to the seller for the interest in real property being transferred, including any subsequent additional consideration payable by the buyer based upon any subsequent appreciation, development or sale of the property if the additional consideration is payable on a one-time basis only and the obligation to make the payment does not bind successors in title to the property;*

(b) *Commission payable to a licensed real estate broker for the transfer of real property pursuant to an agreement between the broker and the seller or buyer, including any subsequent additional commission payable by the seller or buyer based upon any subsequent appreciation, development or sale of the property;*

(c) *Interest, charge, fee or other amount payable by a borrower to a lender pursuant to a loan secured by a mortgage on real property, including, without limitation, any fee payable to the lender for consenting to an assumption of the loan or a transfer of the real property, any amount paid to the lender pursuant to an agreement which gives the lender the right to share in any subsequent appreciation in the value of the property, and any other consideration payable to the lender in connection with the loan;*

(d) *Rent, reimbursement, charge, fee or other amount payable by a lessee to a lessor under a lease, including, without limitation, any fee payable to the lessor for consenting to any assignment, subletting, encumbrance or transfer of the lease;*

(e) *Consideration payable to the holder of an option to purchase an interest in real property or to the holder of a right of first refusal to purchase an interest in real property for waiving, releasing or not*

*exercising the option or right upon the transfer of the real property to another person;*

*(f) Tax, fee, charge, assessment, fine or other amount payable to or imposed by a governmental entity; ~~for~~*

*(g) Fee, charge, assessment, fine or other amount payable to an association of property owners or any other form of organization of property owners, including, without limitation, a unit-owners' association or master association of a common-interest community, a unit-owners' association of a condominium hotel or an association of owners of a time-share plan, pursuant to a declaration, covenant or specific statute applicable to the association or organization ~~for~~; or*

*(h) Fee or charge payable to the master developer of a planned community by the first purchaser of each lot in the planned community in the event that the first purchaser fails to construct and obtain a municipal certificate of occupancy for a residence on the lot and retain ownership of the residence for 1 year before conveying the residence, provided that the obligation of the first purchaser of the lot to pay the fee or charge is on a one-time basis only and does not bind subsequent purchasers of the lot.*

*Sec. 6. "Private transfer fee obligation" means an obligation arising under a declaration or covenant recorded against the title to real property, or under any other contractual agreement or promise, whether or not recorded, that requires or purports to require the payment of a private transfer fee to the declarant or other person specified in the declaration, covenant or agreement, or to his or her successors or assigns, upon a subsequent transfer of an interest in the real property.*

*Sec. 7. "Seller" includes, without limitation, a grantor or other transferor of an interest in real property.*

*Sec. 8. "Transfer" means the sale, gift, conveyance, assignment, inheritance or other transfer of an interest in real property.*

*Sec. 9. The Legislature finds and declares that:*

*1. The public policy of this State favors the marketability of real property and the transferability of interests in real property free of defects in title or unreasonable restraints on the alienation of real property; and*

*2. A private transfer fee obligation violates the public policy of this State by impairing the marketability and transferability of real property and by constituting an unreasonable restraint on the alienation of real property regardless of the duration or amount of the private transfer fee or the method by which the private transfer fee obligation is created or imposed.*

*Sec. 10. 1. Except as otherwise provided in section 11 of this act:*

*(a) A person shall not, on or after the effective date of this act, create or record a private seller fee obligation in this State; and*

*(b) A private transfer fee obligation that is created or recorded in this State on or after the effective date of this act is void and unenforceable.*

*2. The provisions of subsection 1 do not validate or make enforceable any private transfer fee obligation that was created or recorded in this State before the effective date of this act.*

**Sec. 11. 1.** *The payee under a private transfer fee obligation that was created before the effective date of this act shall, on or before ~~December 31, 2011~~ July 31, 2012, record in the office of the county recorder of the county in which the real property that is subject to the private transfer fee obligation is located a notice which includes:*

*(a) The title "Notice of Private Transfer Fee Obligation" in not less than 14-point boldface type;*

*(b) The legal description of the real property;*

*(c) The amount of the private transfer fee or the method by which the private transfer fee must be calculated;*

*(d) If the real property is residential property, the amount of the private transfer fee that would be imposed on the sale of a home for \$100,000, the sale of a home for \$250,000 and the sale of a home for \$500,000;*

*(e) The date or circumstances under which the private transfer fee obligation expires, if any;*

*(f) The purpose for which the money received from the payment of the private transfer fee will be used;*

*(g) The name, address and telephone number of the payee; and*

*(h) If the payee is:*

*(1) A natural person, the notarized signature of the payee; or*

*(2) An entity, the notarized signature of an authorized officer or employee of the entity.*

*2. Upon any change in the information set forth in the notice described in subsection 1, the payee may record an amendment to the notice.*

*3. If the payee fails to comply with the requirements of subsection 1:*

*(a) The private transfer fee obligation is void and unenforceable and any interest in the real property that is subject to the private transfer fee obligation may thereafter be conveyed free and clear of the private transfer fee obligation; and*

*(b) The payee is subject to the liability described in section 13 of this act.*

*4. Any person with an interest in the real property that is subject to the private transfer fee obligation may record in the office of the county recorder of the county in which the real property is located an affidavit which:*

*(a) States that the affiant has actual knowledge of, and is competent to testify to, the facts set forth in the affidavit;*

(b) Sets forth the legal description of the real property that is subject to the private transfer fee obligation;

(c) Sets forth the name of the owner of the real property as recorded in the office of the county recorder;

(d) States that the private transfer fee obligation was created before the effective date of this act and specifies the date on which the private transfer fee obligation was created;

(e) States that the payee under the private transfer fee obligation failed on or before ~~December 31, 2011,~~ July 31, 2012, to record in the office of the county recorder of the county in which the real property that is subject to the private transfer fee obligation is located a notice which complies with the requirements of subsection 1; and

(f) Is signed by the affiant under penalty of perjury.

5. When properly recorded, the affidavit described in subsection 4 constitutes prima facie evidence that:

(a) The real property described in the affidavit was subject to a private transfer fee obligation that was created before the effective date of this act;

(b) The payee under the private transfer fee obligation failed on or before ~~December 31, 2011,~~ July 31, 2012, to record in the office of the county recorder of the county in which the real property that was subject to the private transfer fee obligation is located a notice which complies with the requirements of subsection 1; and

(c) The private transfer fee obligation is void and unenforceable and any interest in the real property that is subject to the private transfer fee obligation may thereafter be conveyed free and clear of the private transfer fee obligation.

Sec. 12. 1. If a written request for a written statement of the amount of the transfer fee due upon the sale of real property is sent by certified mail, return receipt requested, to the payee under a private transfer fee obligation that was created before the effective date of this act at the address appearing in the recorded notice described in section 11 of this act, the payee shall provide such a written statement to the person who requested the written statement not later than 30 days after the date of mailing.

2. If the payee fails to comply with the requirements of subsection 1:

(a) The private transfer fee obligation is void and unenforceable and any interest in the real property that is subject to the private transfer fee obligation may thereafter be conveyed free and clear of the private transfer fee obligation; and

(b) The payee is subject to the liability described in section 13 of this act.

3. *The person who requested the written statement may record in the office of the county recorder of the county in which the real property is located an affidavit which:*

*(a) States that the affiant has actual knowledge of, and is competent to testify to, the facts set forth in the affidavit;*

*(b) Sets forth the legal description of the real property that is subject to the private transfer fee obligation;*

*(c) Sets forth the name of the owner of the real property as recorded in the office of the county recorder;*

*(d) Expressly refers to the recorded notice described in section 11 of this act by:*

*(1) The date on which the notice was recorded in the office of the county recorder; and*

*(2) The book, page and document number, as applicable, of the recorded notice;*

*(e) States that a written request for a written statement of the amount of the transfer fee due upon the sale of the real property was sent by certified mail, return receipt requested, to the payee at the address appearing in the recorded notice described in section 11 of this act, and that the payee failed to provide such a written statement to the person who requested the written statement within 30 days after the date of mailing; and*

*(f) Is signed by the affiant under penalty of perjury.*

4. *When properly recorded, the affidavit described in subsection 3 constitutes prima facie evidence that:*

*(a) A written request for a written statement of the amount of the transfer fee due upon the sale of the real property was sent by certified mail, return receipt requested, to the payee at the address appearing in the recorded notice described in section 11 of this act;*

*(b) The payee failed to provide such a written statement to the person who requested the written statement within 30 days after the date of mailing; and*

*(c) The private transfer fee obligation is void and unenforceable and any interest in the real property that is subject to the private transfer fee obligation may thereafter be conveyed free and clear of the private transfer fee obligation.*

Sec. 13. 1. *Any person who creates or records a private transfer fee obligation in the person's favor on or after the effective date of this act or who fails to comply with a requirement imposed by subsection 1 of section 11 of this act or subsection 1 of section 12 of this act is liable for all:*

*(a) Damages resulting from the enforcement of the private transfer fee obligation upon the transfer of an interest in the real property, including,*

*without limitation, the amount of any private transfer fee paid by a party to the transfer; and*

*(b) Attorney's fees, expenses and costs incurred by a party to the transfer or mortgagee of the real property to recover any private transfer fee paid or in connection with an action to quiet title.*

*2. A principal is liable pursuant to this section for the acts or omissions of an authorized agent of the principal.*

**Sec. 14.** Chapter 113 of NRS is hereby amended by adding thereto a new section to read as follows:

*1. A seller of real property that is subject to a private transfer fee obligation shall furnish to the buyer a written statement which discloses the existence of the private transfer fee obligation, includes a description of the private transfer fee obligation and sets forth a notice in substantially the following form:*

*A private transfer fee obligation has been created with respect to this property. The private transfer fee obligation may lower the value of this property. The laws of this State prohibit the enforcement of certain private transfer fee obligations that are created or recorded on or after the effective date of this act (section 10 of this act) and impose certain notice requirements with respect to private transfer fee obligations that were created before the effective date of this act (section 11 of this act).*

*2. As used in this section, "private transfer fee obligation" has the meaning ascribed to it in section 6 of this act.*

**Sec. 15.** This act becomes effective upon passage and approval.

Assemblyman Horne moved that the Assembly concur in the Senate amendment to Assembly Bill No. 271.

Motion carried by a constitutional majority.

Bill ordered enrolled.

#### SIGNING OF BILLS AND RESOLUTIONS

There being no objections, the Speaker and Chief Clerk signed Assembly Bills Nos. 6, 25, 57, 102, 150, 181, 194, 226, 350, 537; Senate Bill No. 286.

#### GUESTS EXTENDED PRIVILEGE OF ASSEMBLY FLOOR

On request of Assemblyman Aizley, the privilege of the floor of the Assembly Chamber for this day was extended to the following students and chaperones from Paul Culley Elementary School: Elizabeth Stoutenberg, Helen Thean, Lilian Vincent, Ricardo Zagal, Jovan Prieto, Mariah Shackelford, Christy Turner, Penny Everest, Patrice Vogelsang, Janyce Benson, Michael Compton, and Shelly Crabtree.

On request of Assemblywoman Benitez-Thompson, the privilege of the floor of the Assembly Chamber for this day was extended to Elizabeth Galantuomini.

On request of Assemblywoman Bustamante Adams, the privilege of the floor of the Assembly Chamber for this day was extended to De Salazar.

On request of Assemblywoman Carlton, the privilege of the floor of the Assembly Chamber for this day was extended to Debra Johnson, Faye Knight, and John Kinney.

On request of Assemblywoman Diaz, the privilege of the floor of the Assembly Chamber for this day was extended to Grace Salazar.

On request of Assemblyman Goicoechea, the privilege of the floor of the Assembly Chamber for this day was extended to former Assemblyman Jason Geddes.

On request of Assemblyman Horne, the privilege of the floor of the Assembly Chamber for this day was extended to the following students and chaperones from Paul Culley Elementary School: Charlie Urias, Kaitlyn Boehm, Jasmine Walker, Saul Lovera, Jeremiah Loeffler, Yareth Medina, Omar Bojorquez, Kathleen Westbrook, Ruby Rodriguez, Autumn Cody, Anthony Toledo, Alex Martinez, Laila Dow, Natalie Buchannan, Aldo Toribio, Yamilet Herrera, Melanie Angeles, Savannah Moore, Stephanie Haro, Armando Herrera, Ashley Abrego, Natalie Arredondo, Caleb Banks, Jennifer Cruz, Alesha Darragh, Beverly Diaz, Alejandro Dorantes, Diana Galvez, Dayanna Gonzalez, Carlos Martinez, Litzy Nolasco, Wendy Rangel, Emma Schrenk, Ezekiel Soriano, Eric Stiegler, Christopher Sutuj-Martinez, Johanna Vivanco, Areana Zavala, Jasmine Aguilar, Jose Aguilar, Davyn Anderson, Marlon Arias, Michelle Arias, Rae' Nyece Edwards, Cierra Hernandez, Greyson Holding, Victor Marin, Miguel Mendoza, Marco Moreno, Jared Pascual, Himig Reyes, Mike Reyes, Sarahy Rodriguez, Adair Serrano, Sienna Tracey, Nicolas Ubaldo, Mary Walker, Analysa Zepeda, Leslie Carmona, Maya Clevenstine, James Cox, Joshua Ensworth, Luis Fuentes, Candace Humphrey, Kevin Jaimes, Christian Jimenez, Nicholas Johnson, Alarae Malone, Rachel Perez-Soto, Alejandra Quezada, Eileen Ureno, Zasean Woods, Jennifer Alejos, Deborah Arellano, Perla Arias, Henry Brandt, Angel Carbajal, Alan Cirilo, Yahaira Diaz, Nickolas Escobar, Maliqui Flagg, Chad Gatchalian, Jose Hernandez-Martinez, Catherine Mondaca, Jennifer Patino, Jazz Porter, Ellanore Preston, Jesus Razo, and Zachary Roof.



On request of Assemblyman Kirner, the privilege of the floor of the Assembly Chamber for this day was extended to Peggy Kirner, Larry Smith, and De Smith.

On request of Assemblyman Kite, the privilege of the floor of the Assembly Chamber for this day was extended to Mike Olson.

Assemblyman Conklin moved that the Assembly adjourn until Monday, May 16, 2011, at 12 noon.

Motion carried.

Assembly adjourned at 12:51 p.m.

Approved:

JOHN OCEGUERA  
*Speaker of the Assembly*

Attest: SUSAN FURLONG  
*Chief Clerk of the Assembly*