
ASSEMBLY BILL NO. 486—COMMITTEE ON WAYS AND MEANS

MAY 20, 2021

Referred to Committee on Ways and Means

SUMMARY—Establishing provisions relating to property.
(BDR S-1041)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

~

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

AN ACT relating to property; defining certain terms; temporarily requiring a court to stay certain proceedings for eviction under certain circumstances where a tenant who has defaulted in the payment of rent has a pending application for rental assistance; establishing procedures relating to certain claims for wrongful eviction; temporarily expanding the circumstances under which a court is required to stay proceedings for eviction in order to facilitate alternative dispute resolution; requiring notices for certain proceedings for eviction to contain certain information; establishing temporary procedures relating to the provision of rental assistance to certain landlords of single family residences with at least one tenant who has defaulted in the payment of rent; requiring the disbursement of certain federal money in certain circumstances relating to rental assistance; providing a civil penalty; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law establishes provisions relating to summary proceedings for the
2 eviction of tenants of dwellings, apartments, mobile homes, recreational vehicles
3 and commercial premises. (NRS 40.215-40.425) **Section 1** of this bill defines
4 certain terms for purposes of this bill. **Section 2** of this bill authorizes a tenant who
5 has defaulted in the payment of rent to claim as an affirmative defense to a
6 proceeding for eviction that: (1) the tenant has a pending application for rental
7 assistance; or (2) the landlord of the tenant refused to accept rental assistance
8 provided on behalf of the tenant. If the claim relates to a pending application for



9 rental assistance, **section 2** requires the court to stay the proceedings for eviction
10 until such time as the application for rental assistance is granted or denied, and
11 further requires the court to dismiss the proceedings for eviction upon the granting
12 of the application for rental assistance. If a tenant proves the claim that the landlord
13 refused to accept rental assistance on behalf of the tenant, **section 2** requires the
14 court to dismiss the proceedings for eviction and authorizes the tenant to file a
15 claim for wrongful eviction.

16 Existing law provides that a tenant of real property or a mobile home is guilty
17 of an unlawful detainer if the tenant continues in possession of the real property or
18 mobile home, as applicable, after defaulting in the payment of rent. (NRS 40.2512)
19 Existing law provides for a summary eviction procedure when the tenant of any
20 dwelling, apartment, mobile home, recreational vehicle or commercial premises,
21 with periodic rent due by the month or a shorter period, defaults in the payment of
22 the rent. (NRS 40.253, 40.2542) **Section 3** of this bill provides that if a landlord
23 accepted rental assistance on behalf of a tenant who has defaulted in the payment of
24 rent and the tenant was evicted from the real property or mobile home despite the
25 landlord receiving rental assistance for the period of default, the tenant or the
26 governmental entity who administered the rental assistance may file a claim of
27 fraudulent eviction against the landlord. **Section 3** also authorizes a court to: (1)
28 impose certain civil penalties on a landlord who is found to have wrongfully
29 evicted a tenant; and (2) require the landlord to pay costs and attorney's fees of the
30 plaintiff.

31 Existing law authorizes a court to stay proceedings for eviction against a tenant
32 of any dwelling unit, apartment, mobile home, recreational vehicle or part of a low-
33 rent housing program operated by a public housing authority for a period of not
34 more than 30 days to facilitate a program of alternative dispute resolution under
35 certain circumstances. (NRS 40.2544) **Section 4** of this bill requires proceedings
36 for eviction, except those relating to nuisances or the sale of a property, to be stayed
37 in order to facilitate alternative dispute resolution.

38 Existing law requires a landlord to provide notice of proceedings for evictions
39 to tenants. (NRS 40.215-40.425) In addition to the existing requirements, **section 5**
40 of this bill requires the notice to include information relating to rental assistance
41 and the provisions of **sections 2, 3 and 4**.

42 **Section 6** of this bill requires: (1) Home Means Nevada, Inc., or its successor
43 organization, to create an electronic form which may be completed by a landlord
44 who wishes to obtain rental assistance on behalf of a tenant who has defaulted in
45 the payment of rent; and (2) the form to collect certain information relating to such
46 landlords and tenants. Upon submission of the form by the landlord, **section 6**
47 requires Home Means Nevada, Inc., or its successor organization, to determine
48 whether the landlord is an eligible landlord, meaning that the landlord: (1) owns a
49 single family residence; (2) is seeking rental assistance for least one dwelling unit
50 in the single family residence; (3) is domiciled in this State or employs a property
51 manager in this State; and (4) has an annual gross revenue from the rental of all
52 premises in this State of less than \$4,000,000. If Home Means Nevada, Inc., or its
53 successor organization, determines that the landlord is an eligible landlord, **section**
54 **6** requires Home Means Nevada, Inc., or its successor organization, to forward
55 relevant information relating to the landlord and tenant to an appropriate housing or
56 social service agency. **Section 6** then requires the housing or social service agency
57 to attempt to contact the tenant to provide information relating to a program for
58 rental assistance. If the tenant is unresponsive or fails to apply to the program for
59 rental assistance, **section 6** requires the housing or social service agency to inform
60 the eligible landlord of that fact and authorizes the eligible landlord to receive
61 rental assistance, without the application of the tenant, if the eligible landlord
62 agrees to certain conditions.



63 **Section 7** of this bill requires the disbursement of certain federal money in the
64 amount of \$5,000,000 for the purpose of providing rental assistance. **Section 8** of
65 this bill expires the provisions of **sections 1-5** on June 5, 2023.

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

1 **Section 1.** As used in sections 2 to 6, inclusive, of this act,
2 unless the context otherwise requires:

3 1. "Dwelling unit" has the meaning ascribed to it in
4 NRS 118A.080.

5 2. "Landlord" has the meaning ascribed to it in NRS 118A.100.

6 3. "Rent" has the meaning ascribed to it in NRS 118A.150.

7 4. "Rental agreement" has the meaning ascribed to it in
8 NRS 118A.160.

9 5. "Tenant" has the meaning ascribed to it in NRS 118A.170.

10 **Sec. 2.** Notwithstanding any other provision of law:

11 1. In a proceeding for eviction pursuant to NRS 40.215 to
12 40.425, inclusive, where the tenant has defaulted in the payment of
13 rent, the tenant may claim as an affirmative defense that:

14 (a) The tenant has a pending application for rental assistance; or

15 (b) The landlord has refused to accept rental assistance on behalf
16 of the tenant.

17 2. If the affirmative defense described in paragraph (a) of
18 subsection 1 is asserted by the tenant, the court shall stay the
19 proceedings for eviction until such time as the pending application
20 for rental assistance is granted or denied. If the application for rental
21 assistance is granted, the court shall dismiss the proceedings for
22 eviction.

23 3. If the affirmative defense described in paragraph (b) of
24 subsection 1 is asserted by the tenant:

25 (a) The court shall dismiss the proceedings against the tenant if
26 the tenant proves the validity of the claim; and

27 (b) The tenant may file a claim of wrongful eviction against the
28 landlord.

29 **Sec. 3.** Notwithstanding any other provision of law:

30 1. If a landlord proceeds to evict a tenant who defaulted in the
31 payment of rent after the landlord received rental assistance on
32 behalf of the tenant for the period of default, the tenant or the
33 governmental entity administering the program for the rental
34 assistance may file a claim of fraudulent eviction against the
35 landlord.

36 2. A claim of fraudulent eviction must be filed with a justice
37 court in the township in which the premises from which the tenant
38 was evicted is located.



1 3. If the justice court finds that the landlord accepted rental
2 assistance on behalf of the tenant and proceeded to evict the tenant
3 for nonpayment of rent despite receiving rental assistance to cure
4 the default:

5 (a) The justice court may:

6 (1) Impose a civil penalty:

7 (I) If the claim was filed by the governmental entity
8 administering the program for rental assistance, in an amount equal
9 to the amount of rental assistance obtained by the landlord; or

10 (II) If the claim was filed by the tenant, in an amount
11 equal to 25 percent of the amount described in sub-subparagraph (I);
12 and

13 (2) Order the landlord to pay costs and attorney's fees of the
14 tenant or governmental entity, as applicable.

15 (b) The landlord may not file any claim against the tenant for
16 any delinquent amount of rent paid with the rental assistance.

17 **Sec. 4.** Notwithstanding any other provision of law, and
18 except for evictions pursuant to subsection 4 of NRS 40.2514 or
19 NRS 40.255, any proceeding for eviction pursuant to NRS 40.215 to
20 40.425, inclusive, must be stayed for not more than 30 days to
21 facilitate a program of alternative dispute resolution established by
22 rule by the Supreme Court or a district court or justice court.

23 **Sec. 5.** In addition to any requirement for a notice of any
24 proceeding for eviction pursuant to NRS 40.215 to 40.425,
25 inclusive, each notice must contain information relating to:

26 1. The availability of rental assistance; and

27 2. The procedures described in sections 2, 3 and 4 of this act.

28 **Sec. 6.** 1. Home Means Nevada, Inc., or its successor
29 organization, shall create an electronic form which may be
30 completed by a landlord who seeks to secure rental assistance for a
31 tenant who has defaulted in the payment of rent.

32 2. The form described in subsection 1 must include, without
33 limitation:

34 (a) Verification that the tenant:

35 (1) Has defaulted in the payment of rent; and

36 (2) Has not enrolled in a program for rental assistance or has
37 not otherwise been responsive to any communication of the landlord
38 relating to a program for rental assistance; and

39 (b) A description of the premises affected by the defaulting
40 tenant, including, without limitation:

41 (1) Whether the premises is commercial or residential; and

42 (2) The total number of dwelling units on the premises;

43 (c) A description of the landlord, including, without limitation:

44 (1) The domicile of the landlord;



1 (2) Whether the landlord employs a property manager for a
2 premises in this State; and

3 (3) Whether the annual gross revenue obtained from all
4 premises rented by the landlord in this State totals \$4,000,000 or
5 more; and

6 (d) The contact information of the landlord and tenant.

7 3. Upon the submission of the electronic form described in
8 subsection 1, Home Means Nevada, Inc., or its successor
9 organization, shall determine whether the landlord is an eligible
10 landlord.

11 4. If Home Means Nevada, Inc., or its successor organization,
12 determines that the landlord is an eligible landlord, Home Means
13 Nevada, Inc., or its successor organization, shall forward any
14 relevant information relating to the defaulting tenant and the
15 landlord to an appropriate housing or social service agency.

16 5. Upon the receipt of the information forwarded by Home
17 Means Nevada, Inc., or its successor organization, pursuant to
18 subsection 4, the housing or social service agency shall attempt to
19 contact the tenant who defaulted in the payment of rent in order
20 to relay any relevant information relating to programs for rental
21 assistance.

22 6. Any action described in subsection 3, 4 or 5 must be taken
23 within 60 days after the receipt of the form described in subsection 1
24 by Home Means Nevada, Inc., or its successor organization.

25 7. Except as otherwise provided by federal law, if the
26 defaulting tenant does not respond to the housing or social service
27 agency or otherwise does not apply for rental assistance within the
28 time prescribed by subsection 6, the housing or social service
29 agency shall inform the eligible landlord of that fact and determine
30 whether the eligible landlord will accept the rental assistance on
31 behalf of the tenant who defaulted in the payment of rent. If the
32 landlord accepts rental assistance on behalf of the tenant pursuant to
33 this subsection, the eligible landlord must sign a document which
34 states that the landlord:

35 (a) Agrees to accept 75 percent of the total delinquent amount of
36 rent from the rental assistance and not collect the remainder of the
37 delinquency; and

38 (b) Is prohibited from commencing an action for eviction
39 against the tenant for at least 90 days after receipt of the rental
40 assistance.

41 8. The State Treasurer, an administrator of a program for rental
42 assistance and any other person involved in the distribution of rental
43 assistance in this State shall promote or otherwise provide
44 information to persons relating to the procedures established in this
45 section.



1 9. As used in this section:

2 (a) "Eligible landlord" means a landlord who:

3 (1) Owns a single family residence;

4 (2) Is seeking rental assistance for least one dwelling unit in
5 the single family residence;

6 (2) Is domiciled in this State or employs a property manager
7 in this State; and

8 (3) Has an annual gross revenue obtained from all premises
9 rented in this State of less than \$4,000,000.

10 (b) "Single family residence" means a structure that comprises
11 not more than four dwelling units.

12 **Sec. 7.** If the State of Nevada receives money from the Federal
13 Government on or after July 1, 2021, that the State of Nevada is
14 authorized to use for rental assistance in this State, the Chief of the
15 Budget Division of the Office of Finance in the Office of the
16 Governor created by NRS 223.400 shall disburse \$5,000,000 of that
17 money for providing rental assistance.

18 **Sec. 8.** Notwithstanding the provisions of NRS 218D.430 and
19 218D.435, a committee, other than the Assembly Standing
20 Committee on Ways and Means and the Senate Standing Committee
21 on Finance, may vote on this act before the expiration of the period
22 prescribed for the return of a fiscal note in NRS 218D.475. This
23 section applies retroactively from and after March 22, 2021.

24 **Sec. 9.** 1. This act becomes effective on July 1, 2021.

25 2. Sections 1 to 6, inclusive, of this act expire by limitation on
26 June 5, 2023.

