

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON COMMERCE AND LABOR**

**Eighty-Second Session
March 29, 2023**

The Committee on Commerce and Labor was called to order by Chair Elaine Marzola at 1:33 p.m. on Wednesday, March 29, 2023, in Room 4100 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda [[Exhibit A](#)], the Attendance Roster [[Exhibit B](#)], and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/82nd2023.

COMMITTEE MEMBERS PRESENT:

Assemblywoman Elaine Marzola, Chair
Assemblywoman Sandra Jauregui, Vice Chair
Assemblywoman Shea Backus
Assemblyman Max Carter
Assemblywoman Bea Duran
Assemblywoman Melissa Hardy
Assemblywoman Heidi Kasama
Assemblywoman Daniele Monroe-Moreno
Assemblyman P.K. O'Neill
Assemblywoman Selena Torres
Assemblyman Steve Yeager
Assemblyman Toby Yurek

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Assemblywoman Venicia Considine, Assembly District No. 18

STAFF MEMBERS PRESENT:

Marjorie Paslov-Thomas, Committee Policy Analyst
Sam Quast, Committee Counsel
Joe Steigmeyer, Committee Counsel
Cyndi Latour, Committee Manager

Minutes ID: 676



Julie Axelson, Committee Secretary
Garrett Kingen, Committee Assistant

OTHERS PRESENT:

Jonathan Norman, Statewide Advocacy, Outreach and Policy Director, Nevada Coalition of Legal Service Providers
Sarah Adler, representing National Alliance on Mental Illness-Nevada Chapter
Christine Saunders, Policy Director, Progressive Leadership Alliance of Nevada
Lilith Baran, Policy Manager, American Civil Liberties Union of Nevada
Paul Catha, representing Culinary Workers Union Local 226
Shane Piccinini, representing Food Bank of Northern Nevada
William Pregman, Communications Director, Battle Born Progress
Laura Tooker, representing Nevadans for the Common Good
Louis Pombo, Broker/Owner, Las Vegas Turnkey Rentals
Christian Salmon, Private Citizen, Las Vegas, Nevada
Demetria Kalfas-Gordon, Broker/Owner, Hive Real Estate Group, Las Vegas, Nevada
Mark Lister, Property Manager, Nevada Superior Properties, Las Vegas, Nevada
Kyle Brennan, Real Estate Broker, PFM Property Management, LLC, Las Vegas, Nevada
Bruce Langson, Private Citizen, Las Vegas, Nevada
Krystal Sherry, Chapter President, National Association of Residential Property Managers, Nevada State Chapter
Sharath Chandra, Administrator, Real Estate Division, Department of Business and Industry
Christine Hess, Executive Director, Nevada Housing Coalition
Joshua J. Hicks, representing Nevada Home Builders Association; Southern Nevada Home Builders Association; and Builders Association of Northern Nevada
Amanda Moss, Senior Director, Government Affairs, Southern Nevada Home Builders Association
Sam Anastassatos, representing Nevada Subcontractors Association; and Urban Chamber
Glen Leavitt, Director, Government Affairs, Nevada Contractors Association
Keith Lynam, representing Nevada Association of Realtors
Arielle Edwards, Director, Government Relations, Nevada HAND Inc.
Devlin Daneshforouz, Manager, Government Relations, NV Energy
John Sande, IV, representing Nevada State Apartment Association; Nevada Builders Alliance; and Nevada Franchised Auto Dealers Association
Vanessa Dunn, representing Associated General Contractors of America, Nevada Chapter
Dylan Keith, Assistant Director, Government Affairs, Vegas Chamber
Nat Hodgson, CEO, Southern Nevada Home Builders Association
Dan Morgan, representing Builders Association of Northern Nevada
Mendy K. Elliott, representing Nevada Housing Coalition

Vernalyn Willis, representing Asian Community Resource Center
Peter Guzman, President, Latin Chamber of Commerce
Joanna Jacob, Government Affairs Manager, Clark County Department of
Administrative Services
Kelly Crompton, Government Affairs Manager, Government and Community Affairs,
City of Las Vegas
Nicole Rourke, Director, Government and Public Affairs, City of Henderson
Cadence Matijevich, Government Affairs Liaison, Office of the County Manager,
Washoe County
Barris Kaiser, Private Citizen, Las Vegas, Nevada
Michael Walsh, Private Citizen, Las Vegas, Nevada
Carol Peck, Private Citizen, Las Vegas, Nevada
Tommy Lopresti, Private Citizen, Las Vegas, Nevada
Kathleen Buchanan, Private Citizen, Las Vegas, Nevada
Star Stewart, Private Citizen, Henderson, Nevada
Cassia Lopez, Private Citizen, Las Vegas, Nevada
Nicole Chandler, Private Citizen, Las Vegas, Nevada
Lisa Mayo, Private Citizen, Las Vegas, Nevada
Alisha Nilson, Private Citizen, Henderson, Nevada
Jonathan Leleu, representing NAIOP
Janet Lacombe, Private Citizen, Las Vegas, Nevada
Cyrus Hojjaty, Private Citizen, Las Vegas, Nevada
Eric Jeng, Acting Executive Director, One APIA Nevada
Maria Moore, State Director, AARP Nevada
Brenda L. Lovato, representing Institute of Real Estate Management; and GSC
Properties

Chair Marzola:

[Roll was called and Committee rules and protocol were explained.] Welcome, everyone who is with us today. We will hear four bills, [Assembly Bill 213](#), [Assembly Bill 218](#), [Assembly Bill 298](#), and [Assembly Bill 327](#). I will be taking those out of order. I will now open the hearing on [Assembly Bill 218](#), which revises provisions governing landlords and tenants. Assemblywoman Considine, you may begin when you are ready.

[Assembly Bill 218](#): Revises provisions governing landlords and tenants. (BDR 10-136)

Assemblywoman Venicia Considine, Assembly District No. 18:

Today, I am here to present [Assembly Bill 218](#). The goal of this bill is to bring transparency and certainty to individuals and families seeking a place to rent. There is an amendment uploaded on the Nevada Electronic Legislative Information System [[Exhibit C](#)], and you should have it.

The idea for this bill actually started after I was first elected prior to the last session. As most of us from southern Nevada have done in 2020, 2021, and this session, we are seeking a place to rent while we are up here. One of the things I learned—not being a renter

otherwise—is when my roommates and I found a place to live, determined the rent was affordable, and we were ready to sign the lease, we found out the rent amount we were told was not the full amount. There were additional charges for valet trash, sewer, and water. After talking to folks, they have additional fees for entertainment packages and for all of these other items that are not optional.

The main goal of this bill is to provide transparency for folks who are looking for a place to live when they are balancing their checkbook, making every penny count, and need to know what their rent will be at the end or beginning of every month. One of the things I have learned now twice finding places to rent up here is right now, there is a movement to add additional, what I call resort-style, fees to your rent. What I would like this bill to do is when you ask somebody what the rent is, that rent includes a single amount including every nonoptional fee you are paying every month. To be clear, if there is an option for a pet fee, that is an option. If there is available parking or garages that are optional, those are optional. What I am focusing on are the things that are not optional.

Further, the way this bill is drafted is a little confusing. I want to talk about the five main things this bill does and then go over the amendment [[Exhibit C](#)] and bridge any confusion. First, this bill requires that any time the rental cost is listed, the amount must include all nonoptional fees. If the rent is \$1,200 and it is \$40 for sewer and water and another \$25 for trash, then your rent should include both that \$25 for trash and that \$40 for sewer and water every time you see the amount of the rent. The reason for this is that this resort style of price listing can be detrimental to a person trying to plan their monthly budget when they are seeking a place to live. They need to know that from the get-go, from the first time they are seeing how much it is in an advertisement, on a piece of paper, on a website, or wherever. This change will provide transparency and certainty for someone living paycheck to paycheck, which is a large segment of the population of Nevada.

Second, this bill allows a prospective tenant to review a boilerplate lease so they know what the lease requires, including any additional costs or requirements they otherwise might not know about if they cannot review a regular lease before they sit down and sign the lease. Everyone should have the complete information before making a decision to put down any nonrefundable fees. There are no requirements about how this lease is presenting. It could be on the website, it could be emailed, or it could be a document that they look at in person. This bill does not determine that.

Third, this bill also requires landlords to provide a free way to pay rent. I do not think you should have to pay a fee to pay your rent if you cannot afford it or do not want to do it. In this bill, it requires that landlords provide a free way to pay rent that does not require providing personal banking information. For example, old school, you pay by check, you pay by money order. I had a landlord tell me as we were talking about this bill that they accept cash. However that works, that is fine, but there should be an option to pay the amount of the rent you owe without having to pay a fee to pay that rent. This would mean

a tenant could pay their rent for free and without having to use a portal to make a payment, because—at least in my personal experience and the experience of the people I have spoken to—those portals and websites want your personal banking information. This is separate from that.

Fourth, if a landlord requires a tenant to use a portal or an Internet website for maintenance, reviewing their documents, to exchange communications, to make requests for maintenance, or whatever those issues are—including providing options to pay rent in any way they choose to pay—they must list the cost and fees to pay the rent through the portal or the website. In other words, if you are required to use a portal or website to pay your rent, it should be very clear, and most are. If you are using a debit card, there is a fee for the debit card and what that fee is. If you are paying by credit card, this is what the fee for the credit card is. This is so you know ahead of time what you are paying. Further, the cost of those fees to pay the rent through the portal website cannot exceed the actual cost to the portal or the website. In other words, if you are a landlord and you have contracted with a portal or website to be the servicer between you and the tenant, the cost of making those payments should not be a profit center. If the cost is 3.49 percent or 3.99 percent because of the credit card company, it should be the rent plus that. It should not be \$10 every month because we can. I want to make sure there are not additional fees on top of that.

Lastly, there is a civil deceptive trade practice piece in this bill. This is where I think it gets confusing. If you read the original bill without the amendment [[Exhibit C](#)], it does appear the deceptive trade practice is attached to paying rent through a portal. Considering we want a free option outside the portal to pay, then it is not mandatory or nonoptional fees to pay your rent. Therefore, that deceptive trade practice does not go in that section. The bill's intent is it is a deceptive trade practice to list an amount of rent that does not include all the non-optional fees of rent. It is a private right of action. To me, it is a way to ensure that when prospective tenants are out looking for a place to rent, they are fully aware of how much it is going to cost them. If there are any unscrupulous folks out there saying the rent is \$1,000 but when you sign the lease is \$1,200, that practice gets stopped pretty quickly.

I have gone through the bill the way the intent was, but I want to make sure since the amendments are separate. As I said, the amendments [[Exhibit C](#)] are adding a section requiring a free way to pay rent. We have already gone over that, but that was a piece that was not in the original bill but was intended to be in the original bill. Also, adding a section that upon request, a landlord shall allow prospective tenants to review the lease. To clarify, I wanted to amend into the bill clarifying language that anywhere the rent is listed, that rent includes all nonoptional fees. Those are the main points of the bill. I would love to say it is straightforward and simple, but that is like the kiss of death when you are in the Legislature. I am here to answer any questions that you have.

Assemblywoman Kasama:

I know we had a chance to visit, and I appreciate our chat and your openness to some of the things we experience. I do own a property management company, so I live some of these things that go on. I have a couple of areas I wanted to visit some more with you about.

One of the sections is when you talk about the entire fee must be in there. I know you and I visited about that, but sometimes what is happening now is, for example with sewer, you do not have a choice to put that in the tenant's name, and it must remain in the landlord's name. You have to charge them for that amount. Water is becoming an issue. We have liens going against the properties for the landlords with the water amounts. The water amount is not a flat fee. What is starting to happen out there is you have the rent quoted at \$1,500 a month and then there is an extra \$40 a month for sewer and water. What we have done, and I think many people have done, is round up what that is per month. We need to be able to charge for the water or other services.

Sometimes we have a furnished unit where the landlord keeps the cable in their name for television service, then they bill the tenant. I think we must have the option to charge for these additional services, and some of them are fluctuating amounts. With cable, you rent movies, or water amounts change between summer and winter, and those are fluctuating amounts. To force us to round that up—for example, if rent is \$1,500 and we add a rounded \$40—now we have to track each bill, which is another kind of accounting nightmare. We have to add that to the \$1,500. That is a fluctuating amount. To not be able to charge for that, and like you said, it must be one amount, how would you propose we handle those issues?

Assemblywoman Considine:

I am going to start a little bit backwards. With your example about the cable in the owner's name, that is going to be the same amount. I am not saying that you do not have a piece of paper that breaks down what all of these fees are and where they should go, but the tenant needs to know what they are paying every month. That cable amount should be the same amount all the way through.

You mentioned the \$40 a month for sewer and water, or sewer and trash. If that is what you are rounding up normally, then that is the amount you would put in that lease for however long that lease is. I am happy to talk about this more, but that is a nonoptional charge. If that is a fluctuating amount, and you have determined \$40 a month is usually sufficient for this, there might be conversations we have separately about maybe there should be an addendum. Most leases have addendums now saying if the water bill goes excessively beyond this, then every six months or at the term of the lease, or however we can balance it. My goal here is not to be the one to figure that out. My goal here is for a tenant to know exactly how much they need to pay so they can plan accordingly.

Assemblywoman Kasama:

Correct. You would understand we might need flexibility with that because otherwise we might round up, as in my example of \$1,500 a month, to \$2,000 a month to cover it because we do not know what it might be or how much water they use. We want the tenant to know their rent is \$1,500 and they will be responsible for water, sewer, cable, or whatever it might be each month. I do that. My tenants have a full outline of everything they have to pay. We want to make sure we can cover those types of costs.

You said in section 3 that a tenant may bring a civil action in any court for violations of this. I have noticed a trend in the Legislature where we are trying to get away from immediate lawsuits, and we are trying to have hearings and be able to sit people down to work things out. I am wondering why you are going directly to a lawsuit versus saying there should be a mediation or people have an opportunity to work together on this and work out any differences they might have. This seems very aggressive to go directly to a lawsuit.

Assemblywoman Considine:

In my experience and my life as an attorney, I have seen many bills and laws that have great intentions. When the bill is put into the law, there is no trigger or way to enforce that by a private person when something happens. I have found the deceptive trade practice does provide a civil remedy for folks that is going to be something in justice or small claims court. It is not a massive case. It does not have to be a certain number, so it rises to the level of the Office of the Attorney General or someone else taking it on. It is a way to solve smaller problems between problem entities, which are not the majority in any case, but those problem entities and the people being harmed. So that is the intent to do this piece.

Assemblywoman Kasama:

I would rather we go towards mediation, which we are in many other areas with these issues.

Assemblywoman Considine:

It is my understanding if there is a suit done in justice or small claims court, the first option is usually going to mediation, and that is done in the courthouse.

Assemblyman Yeager:

I had a question on one of the sections in the amendment [[Exhibit C](#)]. It is the first proposed amendment adding a section for a free way to pay outside of the website. I wanted to get this on the record. If a landlord decided they would allow someone to pay by check, money order, or cash, would this amendment preclude them from charging a fee for that? If they were allowed to charge a fee, would that have to be somehow included in the rent? I am trying to get what the intent is. I think I know, but I want to make sure the record is clear.

Assemblywoman Considine:

Yes, the intent is for someone to be able to pay rent in the old-school way and there not be any additional fees on it, so you are just paying your rent. Paying the rent itself does not become a profit motive.

Assemblyman Yeager:

Obviously, they will draft this. I know this is not the actual amendment [[Exhibit C](#)], and it will be drafted. I guess I see three different ways—check, money order, or cash—but would the landlord have to offer one way to pay for free, or would you envision they would be obligated to accept all of these?

Assemblywoman Considine:

I hesitated putting anything in there, because I know in my own district there is one community that does accept cash for payments. People know when a lot of older folks get their social security, when they get cash, they are robbed outside of 7-Eleven because it is a known entity. I hesitate to put that you have to accept cash, or you have to do this. I would assume at least two of those three would be an option for any landlord.

Assemblywoman Backus:

I may have another remedy with respect to the private right of action. When I am looking at section 2 in the mandates—and I do like and commend your efforts to address affordable housing and the transparency of what one may be paying for rent—what about maybe making the contract voidable, so each party could go their own way? If not, and the tenant is forced to stay there paying these higher rents, that goes to their damages against the landlord. Maybe this could be an easy way for both to go their own way. I was thinking that out loud. I do not know if you thought about that, or maybe the intent is in the statute that it is void. I was not sure.

Assemblywoman Considine:

The goal here is to be completely up front, so someone is not required to put down nonrefundable fees. The goal is to stop this before they sign a lease so they are aware of what the rent is supposed to be, also, in conjunction with the prospective tenant's ability to see what the lease is. I did not actually get to the point where the rent would be voidable.

This is all supposed to be up front because what I want to avoid is somebody paying a nonrefundable application fee or any other nonrefundable fees before they even get to the lease. If that lease is voidable, when can they get the security deposit back? Now, we have someone who is living month to month who might not have the amount of funding they need to go find another place to live. The goal was to stop it at the advertising stage or when you go to the apartment complex or property manager and ask how much it is. Then you are looking at a lease or something and then it says it is significantly more. I want you to catch all of that before you get in the situation where you cannot afford the rent because of those extra fees.

Assemblywoman Backus:

I guess my concern was when I was following my colleague asking questions about the water expense and where everything is broken down, and the person looks at the lease, it looks good, and they sign it. Let us use your example of those unknown portal fees that are not disclosed. The tenant goes ahead and enters the contract, and then surprise, surprise, there are all these fees that are prohibited by statute. That is where I was at in my line of questioning. Where is the tenant left at that point after they have already signed the lease?

Assemblywoman Considine:

I appreciate the clarification, and I am happy to add something along those lines that if they do sign the lease and this information is incorrect, that it is potentially voidable under certain circumstances.

Chair Marzola:

Are there any other questions? [There were none.] We will move to testimony in support of A.B. 218. Is there anyone wishing to testify in support?

Jonathan Norman, Statewide Advocacy, Outreach and Policy Director, Nevada Coalition of Legal Service Providers:

Having transparency for consumers is always something we are going to support. As an attorney, I always want to see teeth in a bill and the ability for consumers to seek redress. I think where those can be mediated in the court process, I think that is great, but I think consumers should have that option.

One of the smaller legal aid providers I represent is a senior law program. To be a client there, you have to be over the age of 60, and they struggle a lot with people coming in who have the fees for paying through an online portal where that is the only way they can pay their rent. For seniors to navigate that, it has been challenging, and they are always getting caught up. We are in support of the bill.

Sarah Adler, representing National Alliance on Mental Illness-Nevada Chapter:

We are in support of A.B. 218 for a few reasons. Of course, what we refer to as National Alliance on Mental Illness (NAMI) families are our loved ones who are primarily on disability, so they have very limited income. This full disclosure and transparency is critically important for families who are trying to find housing for their loved ones. Also, we have many times the situation where our loved one has a guardianship, so we are using a payee system already to manage their funds. An additional fee on top of paying the rent is challenging and harmful for the family budget. This is not only NAMI families, but of course, we have hundreds of thousands of low-income Nevadans who are in the same situation and needing to squeeze every penny.

Christine Saunders, Policy Director, Progressive Leadership Alliance of Nevada:

We are in support of A.B. 218. At Progressive Leadership Alliance of Nevada, we have heard countless stories, of predatory fees that catch tenants off guard. One of the most egregious stories I experienced firsthand alongside a friend. While running errands, she informed me we needed to stop to pick up a money order to pay her rent. When I asked why she was not paying online, she informed me that there was a 5 percent surcharge of her rent that she was not initially aware of, which could amount to hundreds of dollars for her each month.

Assembly Bill 218 will materially improve the lives of renters in Nevada by ending hidden and excessive fees so tenants know exactly what they are being charged for each month. We urge your support.

Lilith Baran, Policy Manager, American Civil Liberties Union of Nevada:

I will not belabor the points of my colleagues, but we are in full support of this bill. Any effort towards transparency when it comes to these matters is very important. As a renter

myself, I have firsthand experience with these fees, and it is very oftentimes the difference between paying a full utility bill or other bill in the full amount and paying these fees. Please take that into consideration when you are making your decision.

Paul Catha, representing Culinary Workers Union Local 226:

We support the bill.

Shane Piccinini, representing Food Bank of Northern Nevada:

We are in support of A.B. 218.

William Pregman, Communications Director, Battle Born Progress:

We are calling in to support this bill. We agree there should be full transparency on all fees and no added charges for no other reason than making a profit. This should go forward to make sure there is an even playing field for landlords and tenants alike to navigate this process and ensure rental agreements are clear and transparent.

Laura Tooker, representing Nevadans for the Common Good:

[Read from a letter in support, [Exhibit D](#).] On behalf of Nevadans for the Common Good, which is a broad-based organization of 30-plus dues-paying congregations and nonprofits throughout southern Nevada representing over 100,000 people, we support A.B. 218. Our organization is uniquely positioned to hear the challenges and burdens our tenants face in southern Nevada. Through our member institutions, we have talked to thousands of southern Nevada residents, walked through dozens of neighborhoods, and met with many community leaders. We have heard about the high costs and increasing barriers to obtaining affordable and fair lease agreements from across a diversity of residents.

Through our experiences, we have heard many stories about the additional charges being added as fees to applications and monthly rent. These fees have become so burdensome that it makes residents question their ability to survive in the Las Vegas Valley. We heard from a renter who had an added fee of \$25 just because of the way they were going to be paying the rent. These types of additional fees make our already-high rents even more difficult to pay monthly.

Our organization is supportive of A.B. 218 and the proposal to limit any charges related to paying rent online. For nearly 50 percent of the community who are renters, they should be able to pay the rent in their lease without new or additional charges, depending on the method of payment. Nevadans for the Common Good encourages you to support A.B. 218, which reduces the cost of living for nearly half of our community.

Chair Marzola:

Is there anyone else in support? [There was no one.] We will move to opposition. Is there anyone wishing to testify in opposition to A.B. 218?

Louis Pombo, Broker/Owner, Las Vegas Turnkey Rentals:

Within A.B. 218, section 2, merchant processing fees are variable and not always known in advance. For example, to accept a credit card payment for rent, the card processor—depending on variables such as if the card is Visa, Mastercard, or American Express—can range from as low as about 1.5 percent up to 4 percent. These rates are not known in advance. There is variability within even just accepting Visa, for example. As a landlord, if you are to accept any type of credit card payments, it is quite impossible for us to fix a fee to even know, presuming we are behaving morally and not aiming to extract additional monies from the tenant. As such, it is impossible for the lessor to follow the requirements set forth in section 2 and still accept a credit card.

Section 4, subsection 6 also requires a flat amount for rent. I appreciate the intent of this, but rent can be variable, for example, if the tenant elects to pay the landlord to contract to maintain landscaping, but the agreement may be changed at a later date by way of a tenant electing to contract their own landscaper. There is often a negotiation that takes place at the time of lease signing where the tenant may or may not have additional monetary obligations under the rental agreement. This can cause undue burden on the tenant and force higher payments upon the tenant throughout the course of their lease and does not provide for any type of release through addendums. At a minimum, an amendment should be added relating to such negotiable or ongoing variable costs that may be associated with a rental agreement.

We handle furnished rentals, for example for families who have had a fire or flood. We include basic expanded cable services in properties, and the tenant may be able to utilize the Internet and go over on data usage, which may be a variable cost up to \$100 extra. Variable usage characteristics, such as cable, water, electric in a high-rise even, which are forced into a landlord's name, should be exempted from this bill at a very minimum. It would be ludicrous for this Legislature to introduce a bill to control the water district.

Christian Salmon, Private Citizen, Las Vegas, Nevada:

I am speaking in opposition to A.B. 218. As a landlord, these would basically handcuff our hands in a number of ways. Like what the previous gentleman said, things come up and things change during the course of a contract this law would affect. I am just asking for the free market to reign here. We all made a decision to come here or to become an elected official, and we have the ability to freely do that. If someone does not want to stay in my residence or residences, then they have the choice to do that. That is their free will, and they can leave and go somewhere else. I do a good job, and I do not have turnover. There is a consequence to doing practices that are not ethical or moral. We do not need to even go here. There is a lot to that.

Demetria Kalfas-Gordon, Broker/Owner, Hive Real Estate Group, Las Vegas, Nevada:

I am in opposition to this bill for a number of things. As previous people said, utilities are something we cannot regulate. Water, sewer, and trash are things we do not put in the tenant's name because they are lienable, and they do fluctuate. We can do a \$45 charge for trash and sewer because that pretty much covers it, but water is different during different times of the year, depending on landscaping and individual water usages.

Not only that, but we also do furnished, short-term rentals, and we allow for a certain amount of utilities that are included in their contract. Anything over that is extra they have to pay for. All of those items are disclosed prior to any leases being put in place. The tenants are fully aware before they move in and sign anything that that information is there. That is the way it should be.

Also, the Assemblywoman suggested we put a boilerplate lease on our website and that would cover all these fees. Unfortunately, you have condo, single families, multifamilies, et cetera, and they all have their individual rates. For us to put a boilerplate lease on there is not going to be exemplary of the fees that are being charged. Every applicant who calls in ahead of time is given all of that information, either over the phone or in person, so they know before they even submit an application what those fees are. It should be left for people to be able to do that. What about repair fees that possibly may be charged back to tenants? How do you estimate that a year in advance for some damage or glass breakage that is typically in our contract that tenants are responsible for? The prices are dependent on sizes. There are a lot of fees that are not able to be disclosed up front, but we can generally go over all of these fees with our tenants.

Mark Lister, Property Manager, Nevada Superior Properties, Las Vegas, Nevada:

I have been a residential property manager for 23 years. What I want to talk about is the good old days of collecting rent by check, money order, and cash. We do not want the good old days because a lot of people would forget, they would leave checks in the wrong place, and that rent would get picked up and be in the wrong hands. As a property manager, we would be in a bad position of having to hit him with a late charge, put notices out, and go through that process.

With the online portal, it has been a godsend. Our rent collection rate is 98 to 99 percent on-time payments, which means they do not pay late charges, and they do not have the eviction notices. The only problem we have with it, at least with the system we use, is if they choose to use a credit card, then there is a charge for doing that. If they use an e-check, then there is no charge, at least with our system.

We have done an addendum for late policies, including the best way to pay rent, which is e-payments to counter that problem and make sure they are not paying extra fees, or at least they know there is an extra fee if they choose to use that method. They do have the option of using a credit card, so they are not late. In the long run, they do save money by using this system.

Kyle Brennan, Real Estate Broker, PFM Property Management, LLC, Las Vegas, Nevada:

I represent about 1,500 properties. Some are apartments, some are houses, and some are condos. There are so many variable costs you cannot put up front necessarily, such as damage, trash bills, which are changing constantly, or water. I get water turned on in our name in North Las Vegas, and now I owe \$1,000 in order to put it in the next tenant's name. It is insane. We are in total opposition of this bill.

Chair Marzola:

Is there anyone else in opposition? [There was no one.] Is there anyone wishing to give testimony in the neutral position on A.B. 218? [There was no one.] Assemblywoman Considine, would you like to give any final remarks?

Assemblywoman Considine:

I want to reiterate a couple of things. The nonoptional fees are the ones that are nonoptional. I know we have had some mentions of damages or other things. That is not what this covers. These are the things that are monthly. I am happy to work with folks. I understand there may be an issue with water, so I am happy to work on those. For the other things, when you sign a contract and are living month to month and paying rent, you need to know what you are paying every month. This is a balancing of what tenants need to know they are paying and the landlords' needs. I am happy to continue talking with stakeholders on this. I appreciate everyone's time.

Chair Marzola:

Thank you for your presentation. I will now close the hearing on A.B. 218. I will now open the hearing on Assembly Bill 327, which revises provisions governing real property.

Assembly Bill 327: Revises provisions governing real property. (BDR 54-139)

Assemblywoman Venicia Considine, Assembly District No. 18:

I am here to present Assembly Bill 327. Let me explain the intent of this bill. Right now, if you are a corporate landlord, you have property managers. If you are a property manager with a real estate license, you have to go through classes, put yourself under the jurisdiction of the Nevada Real Estate Division under the Department of Business and Industry, and any discipline is attached to your real estate license. However, if you are a landlord of five or more properties—and you are personally managing those properties—you cannot get a property manager permit. The only way you can get a property manager permit is to be a real estate licensee.

The intent of this bill is to create a permit system for those folks who are managing five or more of their own properties and are not real estate licensees, but do not have the ability to get the education or the permit to be able to do the best property management they can, lawfully and completely. This bill creates a permit process for what right now we are calling "landlord property managers." This is a different permit process than for real estate licensees getting a property manager permit. It is for landlords who have five or more properties and are managing their own properties. This is their way to get their permit, be bonded, and get the education. Also, if any tenants have any issues, they can go to the Nevada Real Estate Division for redress—which they cannot do right now because if somebody does not have a permit or license, the Nevada Real Estate Division has no jurisdiction. Tenants in those situations have nowhere to go.

Currently, a property manager permit can only be obtained by a real estate agent licensee. This has led to the unintended consequences of having landlords who are not real estate licensees but are managing their own properties without the ability to obtain a permit or get the education the permit provides. Creating this landlord property manager permit bridges that divide. The bill provides for landlord property managers to obtain the permit and be bonded. The permit will have requirements for education, training, and discipline, which are different from the existing property manager permit. This may result in fewer education hours and different tests. That will be decided by the [Real Estate] Commission.

There is an amendment to this bill [[Exhibit E](#)] that includes adding that the Commission will draft regulations, including education, testing, and discipline. Again, the intent would be to adopt regulations allowing this process, so tenants have certainty that their property managers, landlord property managers, understand the law. If there are any issues, there is redress. At this moment, the bill itself lists four or more properties, but to get in line with many other property requirements across the state and federally, I have changed it to five or more properties. That is the whole bill. I am happy to answer any questions.

Assemblywoman Kasama:

I do have a couple of concerns about wanting to have permits for private owners. I do not know how far this would go. If we have an owner who does handyman work on his own property or does the landscaping for the properties he owns, is he going to have to get a license for that? There are various things he might be hands-on in managing the properties. Are we going to require that owner who wants to maintain his own properties to go and get permits in other areas as well? I have trouble with where this might be going.

Right now, there is nothing in our current statutes that absolves somebody, whether they are trained to be a property manager or not. If they are managing their own property, they are still required to abide by the laws, such as fair housing laws and all the other regulations currently out there. There is nothing exempting somebody just because you are an owner to not follow the current law. They do have to invest in that knowledge, and it is good business practice for them to know it so they do not get in trouble.

I am concerned with the owner's regulations that I see this could add to. We are talking about affordable housing. We need more housing units out there. We need to make more of it accessible. I feel like this might lead to people not wanting to own property, not wanting to invest in property, or build property to manage and rent out. I feel like we could be constricting the housing units. I have a concern with that. I do not think it is needed because people are already under requirements to follow the law.

Assemblywoman Considine:

I am sure there are a lot of property managers who want to be educated. Let me rephrase that, I am sure there are a lot of owners of multiple dwellings who want to be the best manager of their properties that they can be. They can always hire a property manager who is a real estate licensee if they choose to. If they are choosing to manage their own properties, I believe there is a balancing between the landlord having a business of five or

more properties and the tenant knowing that the landlord property manager has the knowledge of what they are required to do and what is required for habitability and all of those issues that are included in that. I think this meets that test.

I do not think I am educated enough or prepared to talk about how the free market works when rules change. I think that happens when any law changes. There are balances between the free market and whether or not somebody wants to be doing this anymore or if it is more beneficial for them to hire a property manager or sell properties. I think that is a completely different conversation than this bill covers. I forgot your first question.

Assemblywoman Kasama:

I had a lot of thoughts in there, so I may have forgotten it too. Correct me if I am wrong, but we already have regulation in statute to catch the bad actors. If somebody is not making repairs, according to the statutory time, we already have mechanisms for doing that. They have to be educated on managing their own properties. I believe anybody who does own multiple properties is much more aware of what the regulations are and the need to follow them. I feel this is adding regulations and burdens, and we are going to constrict our housing units that are available if we make it too difficult for people to own and manage these properties.

Assemblywoman Considine:

Your first question was about whether this landlord property manager permit, if they were doing other things around the properties, would require additional permits. That all comes with the education. If they are doing it right now, and they do not have a property manager or property manager permit, they do not know what they can and cannot do. That is exactly what this bill goes to. All that information would be in the education portion of it.

As to the habitability issues, it is my understanding if there is a habitability issue, that tenant has a choice to hold back the rent, end up in court, and potentially be evicted, but they do not have the opportunity to go to the Real Estate Division and file a complaint. There is no jurisdiction by them because that landlord is not permitted. That was the basis for this. It is to keep people out of court if it is something that can be taken care of, but also provide the foundation, education, permit, and a bond in order for any kinds of issues that do arise if they are no fault of the tenants. The tenant does have redress and has a place to go.

Assemblywoman Jauregui:

My first question is in section 6, subsection 2, where it delineates whom this would apply to. I know you are changing it from four units to five units. Am I reading this correctly? Is it your intention that this would not apply to, say, a mom-and-pop landlord who has five rentals but hires a property manager? Will they still be required to take out a permit, or because they have a property manager who manages their rental properties, they would not be required to have a permit?

Assemblywoman Considine:

No, this is specifically for people who have five or more dwellings and are doing their own management and do not have a property manager. This bill might have the unintended or intended consequence of some of those folks going out and getting a property manager if they do not want to go through the permit process. If there is already a licensed property manager taking care of those properties, the owner does not need to become a landlord property manager.

Assemblywoman Jauregui:

I know it is very common for us to set fees in statute, and I do not see it in here. Are you allowing the Division to set them by regulations? If so, have you spoken to the Division, and do you have an idea of what they are going to be charging for this permit on a first-time basis? I also noticed there is an annual renewal as well. Are they going to be paying for that renewal? With that renewal, are there going to be continuing education credits the Division has talked about requiring?

Assemblywoman Considine:

I have been in communication with the Nevada Real Estate Division. The administrator should be on the phone, calling in neutral if there are questions. Yes, the amendment [\[Exhibit E\]](#) leaves those decisions to the Commission to determine. There was a discussion about a \$40 permit, but I do not know if that would be the final cost of that. Those regulations, education, and all of that would be determined by the Commission.

Assemblyman O'Neill:

I apologize, as I am not in property rentals at all. I am a little confused. You keep saying dwellings and properties. I do not think they are synonymous. In other words, I could have a property that has a triplex on it and another one that has a duplex, so I have five dwellings but two properties. Am I covered or am I required to have a permit? That is where I am confused.

Assemblywoman Considine:

Section 2 is using the words "dwelling unit." In the bill right now, it is four or more dwelling units. The amendment [\[Exhibit E\]](#) would be five or more dwelling units. The meaning is under *Nevada Revised Statutes* (NRS) 118A.080.

Assemblyman O'Neill:

I would be required to have a permit if I am going to manage my own properties. Correct?

Assemblywoman Considine:

If you have five or more dwelling units you are renting out, and you are personally managing those without a property manager, yes, under this bill you would be required to either get a property manager or go through this process to become a landlord property manager and have that different permit.

Assemblyman O'Neill:

Would you be willing to look at where I can take the education and pay for them, but there is no requirement I be licensed for them—in other words, to have the Real Estate Division have licensing control over me. I feel like I am equal to a property management business. I am just running a mom-and-pop shop, so why get the license? I am trying to keep it simple, to some extent, for these mom-and-pops.

Assemblywoman Considine:

Initially when I thought of this, I reached out and said, Is there a way for just the education? The Commission and Real Estate Division are the ones who have all of this knowledge. The way it is written right now, you must be a real estate licensee to get that permit to have any of that education. This is to bridge the gap between those. The reason we are at five or more is, in my opinion, five or more is a business. With managing five properties, I think you should have the education if you are doing that. Whether or not you can get that education and not have the permit, the permit lets tenants know you have that education. The bonding and permit mean there is some place to go if there are issues. Again, this is balancing between tenants knowing they have some backing and have an underlying foundation of who their landlords are—if they are landlords with five or more properties, and someone who is managing multiple properties on their own.

Chair Marzola:

Before we move on, since we are on the subject of education, do we know what that education looks like? Do we know what it involves? Do we know how much it is to get the license, and how much it is to renew it? Do we have any of those answers?

Assemblywoman Considine:

No, that is why we have in there the Commission makes those determinations because they are the experts in the area for that education. Since this is a new area completely, they have the time to make the right decisions about the right education and balance that out with other stakeholders who can have input on that.

Chair Marzola:

Is the licensing requirement or the education to be licensed going to be online? Is it going to be in person? Have you had any of those conversations, or is this kind of all left to the Commission?

Assemblywoman Considine:

It would be left to the Commission. My intention or assumption is it would be the same way you would do it as a licensee. If that is available online already, then this would be another piece that could be done online. If it is only done in person, then that might be how that works.

Assemblywoman Torres:

I definitely understand the issue. We are making sure the individuals who are running properties are following all of the protocols. Do you know if there are any other states that have licensing on property managers, and what that looks like—what those costs look like in other states? That might be a good comparison for us to know.

Assemblywoman Considine:

No, but it is something that I am happy to look into.

Chair Marzola:

Are there any other questions? [There were none.] We will move to testimony in support of A.B. 327. Is there anyone wishing to testify in support?

Christine Saunders, Policy Director, Progressive Leadership Alliance of Nevada:

We are here in support of A.B. 327 to require the permitting of landlord property managers. This bill will help promote transparency and ensure all tenants have well-educated property managers who understand the law, which we know can be quite complicated. We urge your support of this bill.

Jonathan Norman, Statewide Advocacy, Outreach and Policy Director, Nevada Coalition of Legal Service Providers:

I will ditto my colleague's statements.

William Pregman, Communications Director, Battle Born Progress:

I ditto the comments from Ms. Saunders.

Chair Marzola:

Is there anyone else wishing to testify in support? [There was no one.] We will move to testimony in opposition to A.B. 327. Is there anyone wishing to testify in opposition?

Demetria Kalfas-Gordon, Broker/Owner, Hive Real Estate Group, Las Vegas, Nevada:

A licensed property manager is also a licensed real estate agent, and we go through continuing education classes. The permit that is added for the property management is in addition to our licensing of knowing the laws. When you add in a landlord property manager and you give them a few hours of education, that does not make them an educated person to understand all the laws and regulations that go into effect. That is not their job. You are pacifying the public into thinking they know what all the laws are, and we are protecting them. In fact, that is not the case.

I am greatly in opposition to this because I do not believe this is protecting the tenants in any way. It gives them a little bit of knowledge but not enough to make it be actually credited. Also, the verbiage of landlord property manager is going to create confusion. When a licensed real estate agent has an executed property management agreement with the owner, they become the landlord. That is what we put on all our leases. When you add a landlord

property manager, how are they going to distinguish between an owner, landlord property manager, and a licensed property manager who acts on behalf of the owner and is a landlord? If this bill does go through, that nomenclature needs to be changed.

Bruce Langson, Private Citizen, Las Vegas, Nevada:

I am that odd case where I am an owner/manager of approximately 1,000 units I have built, developed, and operated very successfully. I have found that the lenders I have to work with in order to build these projects are very restrictive on requirements for management. I have proven over the years I have operated these properties I am a trustworthy and legal owner. Adding the burden of having this license thrown on you, for a person like me or others who are well educated, I think is a cost that has to be passed on to the residents of each of the projects. I am in opposition to this.

Mark Lister, Property Manager, Nevada Superior Properties, Las Vegas, Nevada:

I have been doing this for 23 years, and there is a lot in property management. I always tell my owners there are a lot of landmines in this business. An owner who gets a little bit of training, to me seems like it is going to make them more dangerous than they are right now. They do not know what they do not know. It takes a lot of us, and a lot of us have to work together to understand what they are doing to resolve certain problems. I do not see how this is going to resolve the problem we have right now. I oppose this.

Krystal Sherry, Chapter President, National Association of Residential Property Managers, Nevada State Chapter:

We are here in opposition to A.B. 327. It has been mentioned before that owners are also subject to NRS Chapter 118A, which are all the rules and regulations in regard to repairs, servicing of the properties, and the tenants, to fair collection of rents and things of that nature. In my opinion, I believe putting this burden on the owners will decrease available housing and thus perpetuate the affordable housing crisis we are currently facing, instead of helping.

I would also caution in basic accounting principles as far as owners maintaining their own trust accounts. That needs to be looked into, especially if that owner is facing creditors where those trust accounts can be given access to and possibly those funds taken. That is another flaw in the bill that needs to be investigated.

Louis Pombo, Broker/Owner, Las Vegas Turnkey Rentals:

I would like to echo the sentiments expressed before me by the others speaking in opposition. Additionally, as this aims to seek to remedy some of the issues tenants will often face when dealing directly with landlords—who are somewhat unfamiliar with the law—I may go out on a limb and say that many property managers, even in their practical application of classes through the Real Estate Division—and the presumably much heavier burden of requirements and education a legally licensed real estate agent and property manager face—are still yet somewhat unknowledgeable in terms of the practical application of the law. They are testing on the law.

Even so, it would result that the burden that would be placed upon individual landlords in order to seek this licensing—wherein the current licensing may even yet be deficient for continuing education or something of that nature would be to such a great extent—again, I would like to mirror what was said previously—insofar that a little bit of knowledge does allow for a certain degree of exploitation within the industry and field, and so by allowing this secondary type of licensing for a landlord, rather than the requirements of the actual use of a property manager, is in itself a bit counterproductive towards the end goal.

Christian Salmon, Private Citizen, Las Vegas, Nevada:

I want to speak to what the Assemblywoman was saying. Tenants do have an avenue. It is called the justice system. Before I was a landlord, I went on my behalf as a tenant and was able to get my case heard. Sometimes it is not always the best way to do it—I understand that—but we already have these things in place. Now we are adding more layers of government and more bureaucracy that lead to confusion. Do I go here? Do I go there?

Then you possibly have unelected bureaucrats who are basically ruling over something that I did not vote for. Who put them on a panel if they are looking at something when a complaint comes in? These are all things I think we need to look at.

Again, as a landlord, I want to do the right thing. I want to give my tenants a great place to live. I want them to love it, and I do not want turnover. That obviously brings my revenue down. It could be going to someone else who really wants to be there. I want to give them everything they want within reason, and that is what I do. Again, I do not have turnover. I would say this is an unfair burden because of what I just said.

Also, I see bad actors eventually working themselves out of the system. They cannot stay there indefinitely. At some point, they realize they cannot go any further, and that gives people like me, who are doing the right thing, great business.

Kyle Brennan, Real Estate Broker, PFM Property Management, LLC, Las Vegas, Nevada:

I am opposed to this. I feel like it creates additional rules and it does not help anybody. It is not necessary.

Chair Marzola:

Is there anyone else wishing to testify in opposition? [There was no one.] I will move to neutral testimony. Is there anyone wishing to testify in the neutral position on A.B. 327?

Sharath Chandra, Administrator, Real Estate Division, Department of Business and Industry:

I am testifying in neutral. I am available to answer any questions if anyone has any.

Chair Marzola:

Is there anyone else wishing to testify in neutral? [There was no one.] We will come back to testimony in support of A.B. 327.

Paul Catha, representing Culinary Workers Union Local 226:

We support the bill.

Chair Marzola:

Assemblywoman Considine, would you like to give any final remarks?

Assemblywoman Considine:

Thank you for listening to this bill and considering it. I want to point out to a lot of the opposition: This is complex and difficult. This is what we are facing. We have landlords who are doing this who do not want to hire a property manager. This is already happening. Creating this new permit process for those folks who are managing five or more dwelling units but do not want to hire a property manager and trying to find that balance between landlords and tenants is what this is, so they can at least get some education. This is a difficult and complex area. If the choice is between no education or some education, because there are no laws requiring property managers, this is what this bill is intended to do.

Chair Marzola:

I will now close the hearing on A.B. 327. There will be a one-minute recess. [The meeting recessed at 2:48 p.m. and reconvened at 2:49 p.m.]

I will now open the hearing on Assembly Bill 213, which revises provisions governing residential zoning.

Assembly Bill 213: Revises provisions governing residential zoning. (BDR 22-250)

Assemblywoman Sandra Jauregui, Assembly District No. 41:

I am joined at the table today by Christine Hess, representing the Nevada Housing Coalition; Amanda Moss, representing Southern Nevada Home Builders Association; and Joshua Hicks with McDonald Carano.

I am here today because over the last 18 months, I have been working on the two bills I am presenting today. Over those 18 months, I worked with stakeholders from every area of housing. People who are normally opposed have come together to support the same bills today. Coming to a consensus is incredibly difficult, but we have done the tough work. We have listened to everyone and come up with bills that I feel are the products of honest, open communication and compromise. We are all giving a little, and we are all getting a little.

The first bill I am here to present is Assembly Bill 213, better known as the Housing Modernization Act. The Housing Modernization Act, which you have before you, I believe is one of the most important bills as it relates to housing this session. We will have before our institution many other housing bills—some of which I will also present—that are needed and important, but nothing will move the needle in increasing inventory more than the Housing Modernization Act.

Assembly Bill 213 means more affordable housing units, more market rate units, more entry-level housing for home ownership opportunities, and more single-family residential housing, so every Nevadan has the opportunity to have a place they call home.

Chair and Committee members, building more affordable housing units is not enough. It is true we need more affordable housing units, but we cannot keep our Nevada families there. The goal should be to take families in affordable housing units and transition them into market rate units, then transition them into entry-level homeownership units so they can start to build equity and wealth and so on. According to Habitat for Humanity evidence briefs, low-income households and households of color have limited access to homeownership because of barriers such as a limited supply of affordable housing, restricted credit access, and systemic inequities. For those low-income households and households of color, homeownership can be a catalyst to wealth building. Home equity accounts for over half of their net wealth. Madam Chair, I have always said, if we are not helping our families build generational wealth through homeownership, then we are contributing to building a pattern of generational poverty. I am committed to ending that cycle.

In 1965, President Lyndon B. Johnson said, Many elements matter to the success and stability of our great American society. Education matters a great deal, health matters, jobs matter, equality of opportunity and individual dignity matter very much. But legislation and labors in all of these fields can never succeed unless and until every family has the shelter, and the security, and the integrity, and the independence, and the dignity, and the decency of a proper home. We must make sure that every family in America lives in a home of dignity, and a neighborhood of pride, a community of opportunity, and a city of promise and hope. That is what I hope for every Nevadan as well: that they live in a home of dignity, and a neighborhood of pride, and a community of opportunity, and a city of promise and hope. Assembly Bill 213 will help increase inventory, speed up the application-to-permit process, and will directly impact the cost associated with delays, reducing the cost for Nevada families.

I would now like to turn it over to Christine Hess with the Housing Coalition, and then Josh Hicks to walk the Committee through the bill.

Christine Hess, Executive Director, Nevada Housing Coalition:

I have spoken with many of you about the important role that affordable housing plays. This is also my opportunity to be a little more specific. Most of the time when I am talking to you, I am talking about subsidized housing, affordable housing that has some level of public funding in order to maintain below-market rents. Today, it is exciting because I get to expand that conversation. Subsidized housing does not exist in a bubble. It is important for the Nevada Housing Coalition (Coalition) that we build wealth, and that wealth building comes from moving along the housing spectrum Assemblywoman Jauregui just described for us.

I am going to start by taking a step back and being in a space that I know, which is subsidized housing. In Nevada, we have 485,850 total renter households. That means 43 percent of our households in Nevada are renters. Just over half, more than 250,000 Nevada households, are paying more than 30 percent of their household income on rent. For many of you who know, this is considered unaffordable. Nearly one-third of all of those renter households are paying more than half of their income on their rent. That is 138,766 Nevada households that are severely cost-burdened and housing-insecure. Thanks to *Nevada Revised Statutes* (NRS) 278.235, I can tell you that Nevada is working hard to build more affordable housing, subsidized housing, and that is good news. We have a pipeline that is double what it typically is. Our current number of subsidized housing units, including those with rent restrictions or project-based rental assistance, is over 37,000. This inventory is tracked and managed by the Housing Division, Department of Business and Industry. I know this number, and I can tell you where these units are located geographically in our state, and I can tell you even what income levels are being served because of consistent annual reporting of our local governments and the highly skilled economists of the Nevada Housing Division which compiles the Annual Housing Progress Report per statute. Knowing this data has been critical to the Coalition and its members to identify barriers and opportunities and to address the needs of Nevadans who need housing that does not pencil for the market.

As I mentioned, the Nevada Housing Coalition is also interested in affordable homeownership. When you think about subsidized housing and the renter households that are either cost-burdened or severely cost burdened, how are they going to save for a home? We cannot build enough subsidized housing, and we certainly cannot build it quick enough. We need to think of the whole ecosystem. Yes, increasing our supply will help, but we need to be building the housing that our communities need, and housing for all Nevadans.

For the purpose of today's discussion, I am also going to focus on NRS 278.0105, which defines affordable housing in three tiers up to 120 percent of area median income. What is our need in our state? Does anyone know what our need is up to 120 percent of area median income? How does it look geographically in the south, in the north, or in the rurals? What income levels are we building, and where are our biggest gaps? If you recall, I can actually tell you this information about our subsidized housing. I know this because we track and manage it in the Nevada Housing Division.

How do we, the Coalition; we, the state; and we, the local governments, support all the other Nevadans who need all housing options? I want to thank my local government partners and the Nevada Housing Division because through this journey, they said, We already have this information. We collect it already. Where is it? I cannot find it. Section 17, which is in the amendment [[Exhibit F](#)], has been introduced to capture what already exists in a new report—my hope would be in a format similar to the Affordable Housing Progress Report. This report will capture the eight components that are already required in the housing element of the master plans. It will also align the two reports, the new one with the Affordable Housing Progress Report and their timelines, and elevate both reports to the Advisory Committee on

Housing and make it easily accessible for all of us to find—our communities, our leaders—that we can get the information we need to inform critical decisions around land use funding and programming, for example. It allows me, as a solutions-focused advocate, to make sure I am supporting two of our critical partners in this work, our local governments and developers, while continuing to center on the people we are serving: our Nevadans.

Finally, I would also like to comment specifically on section 12 of A.B. 213 and the prioritization of affordable housing projects for approval by our local governments. Not unlike market rate housing, time is money and time is risk. Some of our jurisdictions are already prioritizing projects, which is fantastic, jurisdictions that are doing this work. By codifying this in statute, we really as a state make a statement that we want to prioritize affordable housing.

From an affordable housing perspective, I would also like to point out the Clark County red flag team. This is something I have heard about anecdotally. I went and looked at how it was done and how it was initially established. It was initially put together to walk projects through that were trying to work with the Bureau of Land Management (BLM). We can all imagine how they needed some help getting through that; so did our local governments and the BLM. It acted almost as a concierge-type service, where a project that has an internal team with a one-on-one interface, and before-the-fact knowledge, to reduce the amount of time to review and complete the project. It was a significant difference. Of course, the language in A.B. 213 acknowledges all local governments have a different process and that allows them to work in the best way that makes sense for their communities. I wanted to point out an example I have heard about that works well.

The Nevada Housing Coalition supports A.B. 213, of course, and is committed to the successful implementation and being a helpful resource and partner. We are so grateful to Assemblywoman Jauregui, and we look forward building a more resilient Nevada by building the housing to serve all Nevadans.

Joshua J. Hicks, representing Nevada Home Builders Association; Southern Nevada Home Builders Association; and Builders Association of Northern Nevada:

It has been a great honor to be part of this, and it is a great honor to help walk the Committee through this bill section by section today. I will walk you through using the amendment [\[Exhibit F\]](#) on the sections that have been amended, and through the bill on sections that are not under amendment.

Rather than start numerically with section 1, I would like to start with sections 13 and 14. Those are statements of legislative intent. If you look at section 13, it talks about the importance of having an efficient and expeditious land use planning process and how that is important to the economic health and housing supply of the state. Section 14 also talks about the importance of a consistent and robust supply of housing in the overall affordability. That is the law of supply and demand. That is the idea you heard earlier about affordable housing providing opportunities for people to move up into higher tiers of housing, opening up those affordable housing for others, and controlling prices through having some supply.

That efficient and expeditious processing of the applications and an increase in overall supply are two recurring themes that are central to this bill. I think every section of this bill touches on those in some way, shape, or form. I wanted to start with those because I think it sets the table well for the other sections of the bill.

I will go to section 1 now, so we will go back to numerical. Section 1 is a section in the amendment [\[Exhibit F\]](#). The idea here is gathering data, measuring, and tracking how long it is taking for land use applications to be processed. That is what we are trying to get at. This would require publication on the Internet of certain information related to land use planning for residential housing, including the dates the applications are filed, how long they have been pending, how many times they have been found to be incomplete, or how many times they have been rejected for being incomplete. These are all critical core measurements that we think will help understand if there are delays in the process and where the delays are. I think that helps if there are future solutions that are needed to try to address those. That is section 1. It is the measuring and tracking section. Section 2 of the bill is a conforming change. It just refers back to section 1.

Section 3 is another important piece of the bill. This is an amendment [\[Exhibit F\]](#) to an existing statute, which is NRS 278.02327. That statute has been in place for quite some time, and it is designed to set forth a process by which a land use applicant submits their application, and the local government will review it to make sure it is complete. Obviously, we want those applications to be complete so they can be processed, and all the information is there. What we found is there are, at least from the home building perspective, delays in this process. We do not always see the three-day period working the way it is intended to work. The idea behind these amendments is to make some changes here to hopefully make that work a little bit better.

One of the things you will see on there is an amendment to NRS 278.02327, section 3, subsection 2, paragraph (c), subparagraph (1). That is a section that exists right now where if an application is rejected for incompleteness, the local government is supposed to say what is needed to make it complete. We added the word "specific" to make sure it was clear and to be as helpful as possible to the applicant, that they know what they need to do to finish their application.

Subsection 3 in the amendment [\[Exhibit F\]](#) is new language, and it talks about what happens if the three-day period comes and goes, and the local government does not respond. The language says the application would be "deemed to be complete." That is not new language or a new concept in NRS Chapter 278 by any means. In fact, throughout the chapter, there are nine different statutes where an application will be deemed complete in some form or fashion if a timeline is missed. That includes tentative maps, parcel maps, and final maps. This is consistent language with that. As long as a local government is meeting the three-day period, they can reject it if it is incomplete, and it can keep going through that process of coming back to try to get fixed. What we are trying to do is address what if there

is nothing being done there. That is the purpose of subsection 3. Subsection 4 in the amendment is that same idea. If you resubmitted an application, there is another three days to review it for completeness. That can keep going on and on until it is complete.

Subsection 5 does address the idea of how do we make sure we avoid that situation. How do we get these as clean as possible from the beginning? What we have found in several of our meetings with local governments—who have been excellent to work with in this process and they have come forward and let us know what their concerns are—is we have seen preliminary application processes get set up where the applicant can come in, sit down with the local government and say, Here is what I want to do. Help me get this as complete as possible, so when I submit it, it can start going through the process and go smoothly. I think everybody agrees when those systems are set up correctly and work right, they work terrifically and do a good job. Sometimes we have seen, to be fair, some of these systems that have also been points of delay, and we are trying to avoid that. That is why you see in the amendment that there is an express allowance for a preliminary application process. However, those processes cannot be used to subvert the intent and language of the completeness statute to prevent endless delays, also, that a preliminary application process has to allow a meeting, a substantive meeting, with an applicant in the governing body within ten working days. That is the idea that everyone should sit down and get that out there. With ten working days, we tried to work with local governments to figure out something that would work, and that is where that number came from.

Subsection 6 in the amendment [\[Exhibit F\]](#) also talks about the designee language. It just makes it clear that it applies to all the divisions, departments, and agencies of the local government.

Section 4 of the bill modifies NRS Chapter 278.160. That is the section that sets forth what should be in a master plan. This section has one change to it, which you will see on the land use element, which is subsection 1, paragraph (d) through subparagraph (3). This applies only in Clark County. This deals with rural neighborhoods' preservation plans that are required to be preserved right now. This changes it to those should be considered. It would still ultimately be up to the local government if they wanted to make any changes to those kinds of plans, but this is about the supply I spoke about earlier. Obviously, a key component in housing construction is land, and land supply is important. This is a piece that gives some additional flexibility to local governments that, where appropriate, they can look at these areas.

Section 5 of the bill you heard Ms. Hess talk about is an amendment to NRS 278.235, which is the Affordable Housing Report. This is another section that is modified in the proposed amendment [\[Exhibit F\]](#), and there are two real changes here. Actually, I should say there are three real changes. The first part is subsection 1 of that statute requires the local government to adopt at least 6 of 12 different measures that are designed to promote affordable housing. The original version of the bill had proposed a new section for increasing residential density for multi-family or multi-story. After discussions, we felt that was already largely included

in subsection 1, paragraph (i), so that is why it is in the amendment being removed and adding "multi-story" to paragraph (i) to make that clearer. It would still be 6 out of 12 instead of 6 out of 13 choices to be made there.

If you look further down on the amendment and go down to subsection 3, this talks about the date when the Affordable Housing Report is due. We have moved that to the state's fiscal year rather than a calendar year, which we thought made more sense. As I get to section 17 that you heard Ms. Hess reference, which is a new report, that will be on the fiscal year too, so that it is all synced up. You will see some language taken out of subsection 3. I will get to that on section 17 because it is replicated there. Finally, subsection 4 is how long the Housing Division has to post the Affordable Housing Report, and that syncs it to August to be consistent with the fiscal year.

Section 6 of the bill is a modification to NRS 278.250. This is a statute that deals with zoning regulations and how zoning regulations should be designed. This is the same concept I referenced earlier with the rural preservation neighborhoods. It changes a protection language to a consideration language. Again, it is up to the local governments if they want to do that or not. The hope is that it designs some more flexibility, where appropriate, to consider land in some of those areas for housing.

Section 7 of the bill deals with NRS 278.330. This deals with tentative maps. Tentative maps are part of the planning process. It is where land is being subdivided into more than four parcels usually for homebuilding and development. The only change here is to clarify that existing time frames in statute for processing a tentative map apply not only to counties but to cities as well. A lot of development goes on in the cities, and we want to make sure there is consistency in the time frames of processing tentative maps between counties and cities.

Section 8 of the bill is a modification to NRS 278.335. That also deals with tentative maps. Tentative maps not only go to agencies or divisions within the local government, but they will go to other agencies as well. They will each have certain review obligations. For example, the Division of Environmental Protection might have some obligations, the Division of Water Resources might have obligations, or the Department of Wildlife might have obligations. Right now, if you go down to subsection 5, you can see those reviewing agencies, which are all set forth in subsection 1 of this section. They have 15 days to conduct their review. The bill amends this and, much like the completeness statute, it requires those be deemed approved if the 15-day period is not satisfied, again, trying to keep things moving down the line and consistent with the other deemed approval language we have seen in the statute.

Section 9 deals with NRS 278.464. This is like the tentative map section. It is ensuring cities are included in the same time frames that counties are with respect to parcel maps. Parcel maps are usually four or fewer lots within a property that is being subdivided.

Section 10 is the same concept of including cities with counties, except this is with respect to the final map. The final map is where you have all your sign-offs. It is final at that point. You have ticked all the boxes and are ready to build your homes.

Section 11, as you can see in the proposed amendment [[Exhibit F](#)], we are proposing removal of this section. It had to do with certain issues with fire codes and multi-story buildings, but we have decided it should be removed from the bill, so section 11 will be gone in the amendment.

Section 12 is a new section in NRS Chapter 278. You heard Ms. Hess respond to this. This is designed to get affordable housing projects moving fast. The original bill language required a 50 percent faster time frame on affordable housing applications. There were some complications we discovered in talking to local governments with noticing requirements. There could be some times where that is not possible to comply with. We drafted and proposed the amendment [[Exhibit F](#)] you see in front of you, which removes the 50 percent language, but instead says these need to be prioritized, and prioritized over all other projects. Another piece of this is, as part of that prioritization, this section would allow deviations from established processes for land use applications. Again, that is designed to give local governments flexibility to see what works best for them. One example we think would work well, and is why we have delineated it in the bill, is allowing administrative approval whenever possible or appropriate, rather than discretionary approval. That will speed things up significantly for affordable housing projects. That is the change to section 12. I already discussed sections 13 and 14. Those are the legislative intent sections.

Section 15 is an exclusion from NRS 354.599, which is a fiscal note section of the bill. Section 16 is the effective date on the original bill. The effective date would be July 1, 2023. We have recommended in the proposed amendment [[Exhibit F](#)] that, at least for section 1, the website tracking be moved to January 1, 2024. That gives local governments some more time to make sure they can get those systems set up and running and are not rushed to do it.

Finally, a new section, which you also heard referenced and is an important part of this bill, is section 17. This would be a new report. The idea behind this report would be to give information to the public, to groups like Ms. Hess's group about what is going on, what is the planning situation, what are we thinking about in terms of affordable housing, but also market rate housing by local governments. We initially drafted some language about what we thought was appropriate in that report, and we received a lot of feedback from local governments feeling they compile a lot of that already within their master plan and their housing element of their master plan. That is why you see the reference to NRS 278.160(1)(c) in this section. What this would do is require an annual report. Again, this is on the fiscal year, and it does not begin until July 15, 2024. It would be a report that would go to the Housing Division, and it would go to the Advisory Committee on Housing, and it would set forth the information already required in the housing element of the master plan, plus a five-year look ahead for what the plan is for both affordable and market rate housing in the community.

We think this will be a good way for everybody to be thinking about top-of-mind supply issues and making sure we are thinking about this and being in a proactive state for housing than necessarily a reactive state. That is the walk-through of the bill. I do not know if Ms. Moss wanted to add anything I missed, or if not, we can stand for questions.

Assemblywoman Jauregui:

Before we go to questions, I would like to make some more comments. For me, there were three key components in this bill that were very important. I had the opportunity to chair the Advisory Committee on Housing during this last interim. One of the things that came out of that, and one of the things that came out of attending the housing policy conferences Ms. Hess had put on in the north and the south, was the need for a needs assessment. We do not know how much housing we need in our state. We do not know what we do not know. That was one of the most important parts for me. We are making sure this information is readily available to us as legislators. As we are thinking about housing policy, we actually have the data to make decisions. The needs assessment was something that came out of the housing policy conferences.

Also, the timelines were very important to me because I know for every month a project gets delayed, the cost per door goes up, which means it is a more expensive apartment for somebody to rent or more expensive house for somebody to buy, so the timelines were very important to me.

I sat on the Interim Finance Committee and saw the historic investment our state made into affordable housing. We invested \$500 million, which is more than we ever have to build affordable housing projects. I had the opportunity to sit on a committee where we reviewed some of those projects. I know we have a ton of affordable housing projects coming online. Making sure we were speeding up and prioritizing those affordable housing projects was also very important to me. I want to make sure we get those online for our families as soon as possible.

Before we go to questions, I did want to take an opportunity to thank the local governments. We have had multiple meetings one-on-one and larger group stakeholder meetings, and I am sure we will have more. I want to thank them for coming to the table, investing time walking through the bill, sharing their concerns with the bill, and coming with solutions as well. We are now open for questions.

Assemblyman Carter:

My question has to do with the rural neighborhood protection (RNP) zones. I am on the east side of Las Vegas where a lot of people built their houses, working-class people in the seventies and eighties and are now looking for a certain lifestyle. Do we have any idea what the infill opportunities are, as in vacant lots within the rural neighborhood protection zones? Are there any guard rails? The people in my community up there are very worried because, back again in the eighties and nineties, we watched half-acre lots all of a sudden get approved for fourplexes and sixplexes up and down Lake Mead, which we all thought were in the RNP but they are not. We do not want to see that happening again.

Assemblywoman Jauregui:

I would like to start first and then hand it over to Ms. Amanda Moss to follow up. Some of the information I learned when we were working on this bill over the last 18 months is we have 11 years left of land in southern Nevada to build on; 11 years. Once we start considering some of these RNPs, it opens it up to an additional 32 years of opportunity. Nationally, there are state governments and local governments larger and smaller than ours that are mandating multiplexes regardless of density. They are mandating them. What I saw this section doing is not going with national trends. We are not mandating this. We are just removing the state barriers that exist from local conversations. Densities, land use policy, and master plans are those conversations I think are most appropriate at a local level.

I would like to share with the Committee that this bill does not change local governments' current land use designation. These sections are not removing or changing zoning at all. All it is doing is allowing the conversations to happen at a local level if the local governments decide to have it. Zoning changes will still have to go through the entire rezoning process at the local government level. There will still have to be public hearings where residents can come and share their concerns and their opinions. At some point in the future, these conversations might have to happen, especially when we are looking at combating urban sprawl—which has significant environmental impacts and economic and social consequences, especially in Las Vegas, which is the second-fastest warming city in the country. There have also been extensive studies on densities about water usage. The denser the projects are, the less consumptive with water they are. I think more thoughtful planning that goes into density could alleviate water issues, land issues, and greenhouse gas emission issues. With that, I am going to see if Ms. Amanda Moss has anything to add.

Amanda Moss, Senior Director, Government Affairs, Southern Nevada Home Builders Association:

Assemblywoman Jauregui is exactly correct. Assemblyman Carter, you mentioned protections and what the process is to notify neighbors for the development that would go on in their backyard. You are busy taking kids to school and taking kids to sports and after-school activities, and the transparency and predictability of knowing what is in your backyard is a very important issue, and one that we have that conversation—my individual developers, as well as Southern Nevada Home Builders Association as a staff and as an association—in terms of policy implementation that affects the overall development of the valley.

I am very familiar with your area, having gone to O'Callaghan Middle School and grown up there. You are right. It is a very well-established area. That is not the intent of removing the state barrier from this section. By no means is a high-rise going to go up next to a single story, one or two to an acre. That is not the intent. There are requirements in every land use plan and master plan as to what is compatible for the area. There are buffering requirements. For every individual project at every local government in the north, south, and the rurals, the developer sits down with the community. Many of my developers have two or three meetings with the neighbors, and they are not required to have that conversation. That is our intent in addressing this. Why would a resident have to go to a state hearing to talk about

what should be in their community, rather than a local hearing? The government closest to the people is the one best left to govern. I believe this section—and why we are in full support of this bill and why we are here today having the honor to help present it—is because we believe that doing what is right by the community should be a local conversation.

Christine Hess:

I do not like meetings for meetings and certainly not reports for reports. I did want to point out that component six of the housing element in the master plan is actually an analysis of the characteristics of the land suitable for residential development, and it has a few other components. Imagine we are all able to go in and easily access that information and our communities' plans.

Assemblyman Yurek:

I truly want to thank you all for the courage that it took to take on such a difficult and comprehensive look at the affordable housing crisis we are experiencing here. I applaud your efforts. That is a big undertaking. I think the cause is a noble and worthwhile one. I was waiting for your amendments [[Exhibit F](#)], so I appreciate the spreadsheet that made it very easy to go through the amendments. There was definitely one I was hoping to see that my colleague here just addressed.

I represent District 19 in Henderson. I think there were only about five or six of these RNPs in Clark County, and three of them are in my district. I got a lot of emails, calls, and concerns about the removal of this provision, specifically as originally intended under the statute that provided for the assurance that these protections would be kept in place for these rural neighborhoods to now lowering the threshold just to consider them.

Ms. Hess, I know you said earlier by codifying it, we are actually making a statement, a priority of our state. We are making a statement by codifying it. I appreciate the response it is pushing the decision-making back down to the local entities. I want to make sure I can address my concerns here. The RNPs were originally designed to help property owners and investors know what to expect and what not to expect when they were going to be buying in these areas. They sought to establish ground rules.

How do I respond to my constituents' concerns that they feel like we are changing the rules on them? Even this permissive language of pushing it down, we are changing the rules after the fact on them, and they feel like they have been slighted. I am quite certain you are going to be hearing from some of them later. I would like to get that on the record and know how we can effectively respond to their questions regarding this change.

Amanda Moss:

I think it is a good question. How do we all respond to the residents who might be opposed to removal or changing the word "preserve" to "consider"? I think it is a tough conversation to have. When I look at the role the local government has to play versus the state government, I think that is an important distinction at the local level, which is what this is doing, to use your words, changing the rules. Should a local government—specifically the

city of Henderson that has three of the many rural neighborhood preservation areas in southern Nevada—not want to change any land use designation or any master plan, they do not do that. Nothing in the bill changes or mandates the city of Henderson to make that determination. I think that is the key in terms of residents feeling as if their densities or their land use is still protected. It is entirely at the hands of what the local government body would or would not do in that area. Nothing compels the local jurisdictions to upzone, like so many states.

There is even another bill in the Colorado legislature, Senate Bill 213, that mandates local governments upzone everywhere; it mandates multiplexes by right; and it mandates affordable housing projects move through the process without any conversation. That is not what we are here to do. That is not right for Nevada. That is not right for rural neighborhood preservation.

To reiterate, I think the answer to both of the Assemblymen's questions so far is that nothing compels the local jurisdiction to do anything outside of what is best for that community.

Assemblywoman Backus:

That answer raised another question for me. I want to thank Assemblywoman Jauregui for explaining this bill does not impact the zoning laws. To get zoning changed, we still have to go through all those processes. There will be postings so neighborhoods are aware of what may be changing.

Ms. Moss, you raised an interesting question because I have the pleasure of representing the Lone Mountain Preservation Neighborhood. I am in Assembly District 37, along with my colleague who represents Assembly District 3. One of the things I noticed is out there, it is a hybrid. When you pull it up on the map, we have a checkerboard pattern between Clark County and the city of Las Vegas. That raises interesting concerns when we are lowering the standard from protection to consideration. When we are getting all these emails, how do we respond to that? It is bringing up an interesting concept.

Amanda Moss:

I am very familiar with the challenges in the northwest. It is very different than the southwest and very different from our RNPs located in the city of Henderson. I think it is hard for everyone when on one side of the street you have one set of rules and on the other side of the street, you have another set of rules. I would like to commend the county and the city of Las Vegas for their collaborative process they do on every aspect of planning and densities, zonings—even if you look at their drainage studies, how they coordinate right-of-ways, and how they coordinate utility and planning for future growth. Are we going to require this pipe to be upsized three times or upsized two times? What is the development that is going to be in this valley or off that street? What does it look like in 20 years, and how do we plan for that?

I think you raise a question I do not think this bill is necessarily intended to answer. Those sections do not change anything outside of the processes that our current jurisdictions in that area already do.

Assemblywoman Backus:

I have one more question. I realize the bill does not change the definition of what rural preservation neighborhoods are. When I was taking a look, it maintains protection of historic neighborhoods. I know growing up in Las Vegas over the years the community I grew up in, there are a lot of lots that are quite large. I do not know why we were singling out the rural preservation neighborhoods as opposed to also including those historic neighborhoods that have very large lots that could also be developed.

Amanda Moss:

I think that is a good question, and one that we maybe have not discussed. Going back to Ms. Hess's comment in the very initial presentation, we are looking at the housing continuum and the housing spectrum. Economists say we have 8.2 people per hour, per day moving to southern Nevada. That is net moving; some move out, and some move in. That is the net number of people we have to house. We are doing fantastic work in southern Nevada, diversifying our economy—and all the way down at every level, as well as the state. Where are they going to live?

I do not see a lot of development in the historic areas. When we look at overlays and we look at existing land use and master plans within each of the jurisdictions, they have very rigorous requirements, and similar requirements of compatibility with the neighborhoods and those things. When you look at where the overall land is and what types of housing we are missing—that missing middle piece—those developments are not going to come around often in historic neighborhoods as they will versus that checkerboard pattern you already mentioned. Mayor John J. Lee approached the Southern Nevada Homebuilders Association five years ago and asked, How do I complete the streets when I have three lanes, down to one lane, up to two lanes, and a bunch of vacant parcels on streets in very established areas? How do we make sure the development coming in is compatible? That is a local conversation.

Assemblywoman Jauregui:

One of the things I was looking at was these neighborhoods tie up a potential 32 years of places where we can continue to build homes for our Nevada families. That is one of the reasons we have looked at this. I know how many emails you are getting because you represent a district. Your constituents are reaching out to each of you, and I am hearing from all three of your districts. I am also getting those calls. We are not here to take the easy road. We have to have these difficult conversations, and sometimes we have to make difficult decisions for what is going to be the best for our state. I am having these conversations with your constituents. They are all reaching out to me. In the end, I am doing what I fundamentally believe is right. We are not changing zoning laws. You have heard

Ms. Moss and I say that nationally the trend is to mandate the subzoning, and we are not doing that. We thought what was best for Nevada was to bring this conversation to a local level and remove the state from the conversations.

Assemblywoman Torres:

I think there are a lot of fixes in here, so we are on the path to make sure we are expanding access to affordable housing here in the state of Nevada. My question is whether or not there is any requirement that local governments are ensuring that affordable housing is not restricted to certain areas. I think we see that a lot. Quite honestly, in Assembly District 3 that is an issue we see. When we are building affordable housing units, we are building them in certain areas. Then in more affluent parts of town, we are not seeing that expansion of access to affordable housing. Is there anything in place to ensure that conversation is happening with local governments as we are expanding? That might not be in the bill right now, but I think it is a conversation we need to have.

Assemblywoman Jauregui:

Yes, this bill does not address that, and I cannot speak on behalf of the local governments, but I know they are here.

Amanda Moss:

I think you bring up a great point as to maybe another justification of certain sections that are maybe a little bit harder to speak to. Right now, if the majority of the land in southern Nevada is designated for one or two to an acre, builders are paying, even with subsidies, over \$1 million an acre, so \$1 million divided by two is over the threshold that many in this room and in these communities can afford just for raw dirt. That is not talking about the other costs that go into development. When we are looking at making sure that affordable housing projects, both subsidized and naturally occurring affordable housing, are dispersed within the community and near transit, near services, near access to jobs, and all those things, this is why we are making sure we are looking at densities and development standards holistically. Keeping that in mind is important.

Assemblywoman Torres:

I think it does answer the question. It helps make sure we are eliminating some of those barriers.

Christine Hess:

I think if you look through the components, it even comes back to the land component that we talked about before. The questions you are asking are the questions I am asking. It is not all subsidized housing. When we talk about 0 to 120 percent of area median income, the market can build it. Where are the plans, and how are we building it? Where does it currently exist? Of our 138,000, we do not have 100,000 people without homes, but they are paying more than 50 percent of their incomes on rent. They cannot afford where they live. They are not being served right now by housing that meets their needs. We cannot build it all in subsidized.

Amanda Moss:

The Southern Nevada Public Lands Management Act is within the southern Nevada boundary that allows a local government to apply for up to a 95 percent discount for the appraised value of a parcel to deed restrict it for the development of affordable housing projects only. That has existed for over a decade. Those lands are available across the valley. That is one of the items identified in the housing element in NRS 278.160 as one of the tools in the toolbox that local governments can utilize to ensure affordable housing projects are not centralized in one location. That is something already on the books and is something we have seen successfully work. Clark County designated, I believe it was three or four years ago, over 10 parcels dispersed throughout the valley, taking into consideration all of the questions and comments you made on the location of those parcels. One of our builders is actually in the process of trying to develop in the Mountain's Edge area—a beautiful, modern, smaller home without retaining walls and with a one-car garage in a highly attractable area with access to restaurants and all of those things—to make sure we are putting affordable housing projects everywhere and not in my backyard, over there.

Assemblywoman Kasama:

In section 1, where you have information on the website, it talks about the applications, and pending, and notice of incompleteness. Are you going to add a mechanism here? That list could continue to grow. If the application is closed, it is done, will it fall off the list? Otherwise, this could keep growing and growing.

Assemblywoman Jauregui:

That is what I envisioned for the bill. I think for me, that section was more for developers as they are starting to plan their affordable housing development or whatever project that may be. They can get an idea of how quickly the process is going to take so they can get an accurate bid for how much the project will cost.

Assemblywoman Kasama:

I do not know if we have to add that closed applications will fall off the list.

Chair Marzola:

Are there any other questions? [There were none.] We are going to move to testimony in support of A.B. 213. So everyone knows, I am going to take 20 minutes of support testimony, 20 minutes of opposition, and 20 minutes of neutral. Is there anyone wishing to testify in support?

Sam Anastassatos, representing Nevada Subcontractors Association; and Urban Chamber:

We believe this bill will help expedite housing development in Nevada. We are in support and urge the Committee to support as well.

Glen Leavitt, Director, Government Affairs, Nevada Contractors Association:

We represent over 450 contractors, subcontractors, and industry affiliates primarily in southern Nevada. We are in support of this bill.

Keith Lynam, representing Nevada Association of Realtors:

We are proud to come to the table and support [A.B. 213](#). We want to thank Assemblywoman Jauregui for working with us in the interim on a bill that will bring actual results to the housing affordability crisis that we now face, and allow us to serve the communities we serve. As a data-driven organization, we are especially supportive of the amendment [\[Exhibit F\]](#) in section 17. Assessing Nevada's housing needs is critical for planning for the future of this critical issue. We support this bill, and we would certainly hope you support it as well.

Arielle Edwards, Director, Government Relations, Nevada HAND Inc.:

We are in support of [A.B. 213](#), especially the aspect of increasing housing affordability for Nevadans. We would like to thank Assemblywoman Jauregui for her work on this bill, and we would like to thank the stakeholders for their consideration and further incentivizing affordable housing for our communities. Additionally, we would like to thank and acknowledge our current partnerships with Clark County and the cities in southern Nevada. We are so grateful for the existing affordable housing incentives they provide. Our local partners recognize the critical need for affordable housing, and they make way for us to continue to develop and build affordable housing units in their jurisdictions. We support them in their version of [A.B. 213](#), and we urge its passage.

Devlin Daneshforouz, Manager, Government Relations, NV Energy:

We are here in support of [A.B. 213](#). NV Energy views these changes as a positive step in improving the land use process. We appreciate Assemblywoman Jauregui's willingness to work with all stakeholders on this and urge your support.

Paul Catha, representing Culinary Workers Union Local 226:

Nevada has an affordable housing crisis, and the state needs to expedite the production of additional affordable housing as much as possible while maintaining the health and safety of Nevadans. If the state is going to resolve its housing crisis and ensure that Nevadans have sufficient water in coming years, housing must be built more densely. Combining production of affordable housing and higher-density housing is sound public policy. Nevada's housing crisis is the responsibility of every level of government, and every level of government has a responsibility to ensure speedy approval of affordable housing production. While the Union is supportive of other efforts to ensure the burden of the housing crisis does not fall on the backs of working-class Nevadans, including policies like Senator Spearman's [Senate Bill 426](#) neighborhood stability bill which would ensure rent increases do not increase faster than wages, we also recognize the need to prepare a path out of this housing crisis and recognize this bill is an important part of this effort. The Culinary Union urges the Committee to support and pass [Assembly Bill 213](#).

John Sande, IV, representing Nevada State Apartment Association; Nevada Builders Alliance; and Nevada Franchised Auto Dealers Association:

All three support these efforts of this bill. They all wanted me to come and put their positive comments in support of this and thank Assemblywoman Jauregui for her efforts in trying to increase the housing supply in our state.

Vanessa Dunn, representing Associated General Contractors of America, Nevada Chapter:

I would like to echo the comments made prior to me. The Associated General Contractors of America, Nevada Chapter supports this commonsense legislation that will improve government transparency.

Dylan Keith, Assistant Director, Government Affairs, Vegas Chamber:

The Vegas Chamber is in support of A.B. 213, and we applaud Assemblywoman Jauregui for bringing a bill with commonsense solutions that will make a difference in Nevada's housing market. The Chamber is deeply invested in increasing our housing supply because housing attainability is directly connected to a thriving business community. Assembly Bill 213 improves predictability for builders and developers and encourages speedier timelines. Tracking land use applications also provides greater transparency and holds developers accountable along with local governments. Assembly Bill 213 brings answers to our critical housing needs, and the Vegas Chamber urges your support.

Nat Hodgson, CEO, Southern Nevada Home Builders Association:

First of all, I definitely want to thank Assemblywoman Jauregui. To say she has worked tirelessly on this bill would be an understatement. Something that struck me was this definitely is not easy to bring forward, but the definition of insanity is getting pretty old to keep going over and over again, thinking something is going to change. I commend her. Obviously, I support A.B. 213 for three main reasons: predictability, transparency, and being able to bring the product to market faster. That is going to help us with our soft cost, if you will. More efficient, predictable processing time frames, especially in this time with high demand, will help alleviate our supply-and-demand problem. That is our number one reason for the affordability constraints. With that, I urge you to support A.B. 213.

Dan Morgan, representing Builders Association of Northern Nevada:

I will be very brief as my counterpart from southern Nevada covered the comments we are all in sync on. I would like to thank Assemblywoman Jauregui for all of her efforts, and for all of you for consideration of this bill. As Mr. Hodgson said, it will do nothing but improve our ability to deliver housing to the state of Nevada and our citizens. We appreciate your consideration on the bill.

Jonathan Norman, Statewide Advocacy, Outreach and Policy Director, Nevada Coalition of Legal Service Providers:

I am going to start with the caveat that there is the legal services lane and then there is the next lane over the shoulder in the desert. I feel like testifying in support, I am in the desert. The reason I am willing to walk there is because housing and affordable housing touch every client Legal Aid Center of Southern Nevada serves right now. We do not have enough housing for the people in our community, and that burden falls greatest on the people at the margins. Those are our clients. For that reason, I urge your support of this bill, and I thank Assemblywoman Jauregui for bringing it.

Mendy K. Elliott, representing Nevada Housing Coalition:

I want to just step back in time when I was at a meeting with Assemblyman Yeager and said, "We need a housing champion." I do not think I got a champion; I think we got a giant here who took everything we talked about and has worked across party lines and worked across industry lines to create something that is so necessary for our state. I have been working in the affordable housing space since 1991. I was your director of the Department of Business and Industry, working in the affordable housing space, trying to figure out how we can deliver a product to our citizens and how we can utilize the tools we have. We are finally looking at a wonderful way to wrap all of the local jurisdictions and the Legislative and Executive branches to try to create a strategy that will move forward. I want to compliment Assemblywoman Jauregui and what she has been able to accomplish with all the partners who worked so tirelessly over several months as we created this piece of legislation. I want to thank her and certainly everybody here for listening to this important piece of legislation.

Vernalyn Willis, representing Asian Community Resource Center:

We work alongside the Nevada AAPI Chamber of Commerce. We are here in support of [A.B. 213](#) and thank Assemblywoman Jauregui for bringing this bill forward. At the Asian Community Resource Center, housing is a top concern. We think [A.B. 213](#) will provide for faster construction of homes and a greater understanding of what Nevada's housing needs are. The more homes we can build, the more stable prices become, which helps our entire community.

We also believe in greater transparency between local governments and the housing industry, which the bill provides. We support [A.B. 213](#).

Peter Guzman, President, Latin Chamber of Commerce:

The Latin Chamber of Commerce is closely connected to Nevada's housing economy because there is a direct link to our business community. Nevada's business owners and entrepreneur community need housing, and [A.B. 213](#) will strengthen predictability in timelines for our builders and speed up projects.

I also want everyone to know that three years ago at the Latin Chamber of Commerce, I implemented all of my staff and everybody at the Latin Chamber to no longer use the words "affordable housing." We use "dignified housing." Affordable housing has stigmas to it, of crime and section 8, so we use dignified housing, so that is what I will be using.

We are especially excited about section 12 presented in today's amendment [[Exhibit F](#)], which will prioritize the processing of dignified housing projects. We hear all the time that Nevada needs more dignified housing, but this legislation offers a fast track and will bring actionable results. The Latin Chamber of Commerce would like to recognize Assemblywoman Jauregui for bringing [A.B. 213](#). It is a bold bill that will increase our housing supply to help Nevadans. The Latin Chamber of Commerce urges your support on [A.B. 213](#) to get dignified housing going.

[A letter in support, [Exhibit G](#), was submitted but not mentioned and will become part of the record.]

Chair Marzola:

Is there anyone else wishing to testify in support? [There was no one.] We will move to opposition. Is there anyone wishing to testify in opposition to [A.B. 213](#)?

Joanna Jacob, Government Affairs Manager, Clark County Department of Administrative Services:

We are here in opposition under the Committee rules because we are still working with Assemblywoman Jauregui and the stakeholders on an amendment, so we can at the same time meet her very impressive goals to speed up the housing supply in our community, but also address some of the concerns of local government about the volume we face and our current staffing issues.

When that timeline of three days was put in place, it was in 2007. At that time, Clark County had 100 people working in our Comprehensive Planning Department. Today, we have 18 planners. At the time of COVID-19, we went down to nine. I have to talk about our staff here because at the time we went to remote work, that staff went in and helped the very bill proponents to keep building happening and government working. They are still with us today. We are facing new challenges. There has been a lot of talk about Clark County today, and I appreciate everything that was said because our Commission does share the stated goal of incentivizing affordable housing. We have put \$120 million of our own money towards housing.

To Assemblywoman Torres, we have worked tirelessly to approve affordable projects in the southwest. We have worked on that tirelessly. We did three at Pebble Road and Eastern Avenue senior housing, one on Blue Diamond Road, and one at 44085 Penfield, which is largely in the southwest and central parts of Las Vegas. We are working on that. We incentivize affordable housing already. We expedite all the applications to the top of our queue, and we waive or reduce fees, all the fees that we are in charge of. To the extent that we do what section 12 talks about, we have already done it, and we recognize the value of that work.

The issue we have is the rolling three-day timelines. The reporting is very important for transparency, and we are trying to find a way to have that work. We appreciate the amendment [\[Exhibit F\]](#) that is pushing out the effective date of that, because it is a significant staffing and technological lift for us to do that. We are also looking forward to reporting additional factors we think are important, including the time for developers and applicants to return their materials to us. We think that is a fair metric to also measure. We want to work on a timeline that will work with us. We have had a senior planner position open for 700 days. We have some significant staffing challenges. We hope to continue to work with the proponents, and I concur with the comments of my colleagues.

**Kelly Crompton, Government Affairs Manager, Government and Community Affairs,
City of Las Vegas:**

We would like to thank the bill sponsor for working with us over the last couple of weeks as the bill was introduced and to hear our concerns as a group of local governments but also with the stakeholders and address some of the concerns we had within the bill. We appreciate the amendment [[Exhibit F](#)]. I think it addresses some of the things we discussed but does not address some of the things we had spoken about significantly.

For the city of Las Vegas, section 3, subsection 5 in the amendment, regarding the preapplication process, is still a big concern for us. Our concern is moving that from the ability to require it and to clean up the application process to make sure that all things are in order versus having this as a voluntary process. Over the last decade, the city has worked with the stakeholders of this bill to streamline our process and make sure nothing is missed so they can go through the planning process very quickly.

Some of the stakeholders said they want to see predictability and transparency for the process. Many of us have a planning commission schedule that shows you exactly when you submit your application and how long it is going to take to get through the planning process. For the city of Las Vegas, that is about a two- to two-and-one-half-month process if you get your application and there are no issues. That also includes the developer, the proponents respond in a timely matter as well. We bring in subject matter experts, including planning officials, building and safety officials, fire officials, and public works officials to make sure the development applicant gets everyone in the room at the same exact time, instead of bouncing you from department to department and wasting your time. We bring them all into one room. We get their applications together.

One of the things we see that takes time is the engineering process. We just had an application that was stalled because fire trucks did not have turn-around radius within an apartment complex. That is a huge safety concern for us. Parking is an issue. We hear neighbors all the time say we do not want you to park on our streets. We want to make sure there is ample parking. Sometimes those are the hiccups. We make sure those processes are done very quickly and very efficiently.

We look forward to working with the bill proponents. In the speedy process we hold, if they want to start building those projects in our community, we welcome that. We want to see these processes as well, as we have a lot of unhoused people within our city limits, and we want to make sure they have affordable, safe housing.

Nicole Rourke, Director, Government and Public Affairs, City of Henderson:

I would like to echo the comments of my colleagues and also thank Assemblywoman Jauregui and the proponents of the bill for working with us. We think this amendment [[Exhibit F](#)] has come a long way in answering some of our concerns. We are here under the rules to mention a concern under section 1. Ms. Jacob talked about staffing issues. We have similar concerns. Under section 1, this is all-encompassing in NRS Chapter 278. This includes entitlements and permits. To give you an idea, we did 699 applications for

entitlements last year, and we did over 12,000 in permits. To include that level of data is going to take us a lot of time and a lot of labor. Our concern is that it actually works against the intentions of the bill where we want to move applications faster. Rather, we are going to have to pull staff off, with the existing staff we have, to work on data collection and making this data in a comprehensible form. Our concerns still lie in that section. Like I said, this amendment comes a long way to answer our concerns in other sections, and we are certainly supportive of moving affordable housing forward and making those applications a priority as stated in section 12. Again, we look forward to continuing the work and thank the sponsor for her efforts.

Cadence Matijevich, Government Affairs Liaison, Office of the County Manager, Washoe County:

We, too, would like to thank the bill sponsor for including us in the conversation and being open and listening to our concerns with the bill as introduced. We did just get the amendment [[Exhibit F](#)] yesterday, so big bill, big amendment. We are still processing it back at our home office. We think we are there, but again, under the rules of your Committee because we may still have a few technical issues to work through, we are here in opposition.

Washoe County very much supports the goal and what is intended with this bill. Housing is included in our county commission's strategic plan. The workshop on the strategic plan gave direction to our staff to look for ways to incentivize affordable housing in our community. We look forward to the continued conversations on how we can participate in making this bill something that gets all of us toward our objectives.

Barris Kaiser, Private Citizen, Las Vegas, Nevada:

I have a few things I want to touch on in this bill. First, just as a general statement, you have heard if the bill has a slick name behind it, be cautious. The Housing Modernization Act definitely fits that description. Time and time again, as the bill was introduced, you heard the process changes are mostly codifying what we want to see happen. What I think you just heard was emotional testimony from frontline employees at each one of these local governments that are going to have to turn around and bear the brunt of the timing that is discussed in this. You heard them with shaky voices telling you they are concerned. That has to be listened to. The fact it was mentioned there is a planner position that has been vacant for over 700 days tells you this is a concern coming forward.

The next item I would like to make sure I touch on, time and time again, you heard as the bill was introduced, talking about predictability. Section 4, where the movement from state protection on rural neighborhood preservations is removed, is absolutely going to have the effect at the local level of removing the teeth behind our protections to live in these areas. You heard the description that land is a limited resource and we have 11 years, and with this, we will gain 32 years. I distinctly heard that conversation. That completely ignores the fact that the true effect that is going to happen with this bill is it is going to prevent and discourage investment in our existing communities that need reinvestment. There will be no point for these groups to go forward and try to reinvest in areas that need reinvestment to bring jobs, to bring housing, if they can go to areas that have open land. This also ignores the

fact, at least in southern Nevada, the move of the Bureau of Land Management disposal boundary has been a move that has happened and has been able to support the area to allow its growth.

The final item I want to make sure I touch on is there was discussion about broad coalition building in this bill. What you also are going to hear and see, as you see the more than 60 people here in Las Vegas in opposition, including myself, is the residents were not part of that coalition, and the industry were the only members brought into that coalition.

Michael Walsh, Private Citizen, Las Vegas, Nevada:

My concern is the change of "protect" and "preserve" in favor of "consider." Somebody mentioned this allows local conversations to happen. Local conversations are already happening. I, along with all the owners in the Dean Martin RNP, spent the last year arguing and fighting a zoning change for real estate, and we lost despite all the opposition. Now we are taking that fight to the district court of Clark County, and I will have that lawsuit in your inboxes after this meeting. The point here is, in that briefing you will read that protect and preserve is a responsibility the officials need to adhere by. Removing that removes that responsibility, and that is not right. You will see in the lawsuit why it is important to leave that wording alone. From a land perspective, I do not believe changing that wording is going to open up the land. Eighty-seven percent of the land in Nevada is owned by the federal government. As you mentioned, maybe we should start looking at the BLM. There is plenty of land out there to be preserved.

Carol Peck, Private Citizen, Las Vegas, Nevada:

I am strongly opposed to this on a lot of levels. First of all, this bill sounds more like a "keep your developer and Realtor in business." I do not see any citizens outside of the industry on that board. There was very little mention of citizens. We live here, we work here, we have bought and improved our properties, and now it is according to what a couple of you have said about infield building and removing variances or changing zoning or whatever, even though you are saying that is not it. There is a possibility all my work and my perceived later years of life where I was going to enjoy what I have made can go right down the tubes. If you start putting infield building, low-income housing, and higher neighborhoods, it is not the low-income housing so much as it is the perception of the neighborhood going down or whatever.

I am in the patchwork quilt area, and the patchwork is city and county. The city wanted to put a 120,000-square-foot gym two blocks from my house. Right now, we are up to have affordable housing put in there. I do not have a problem with that. I have been a Realtor since 1978. What I do have a problem with is everybody comes in to help these people get into affordable housing, which is wonderful, and then everybody goes home. These people cannot continue to support the maintenance and everything else on these homes that they are entitled to. That is when it starts to hurt those of us who are already in place.

The administrative approval, to say the least, curdles my hair. If you go to administrative approval right now, we fight like dogs to get these developers to talk to the neighbors and in the proximity of some of these changes that are going on. They say, Oh yeah, we did it, we did it. Then the neighbors show up and say, No, we never heard from them. A lot of that is being said about this bill as well.

I see no reason to change the verbiage from "required" to "consideration." The only reason you would do that is if you could move forward with something that is going to hurt everybody up here. If you are from this area and you are on that committee, I suggest you come back and visit your area again.

Bruce Langson, Private Citizen, Las Vegas, Nevada:

I am a developer. I have done subdivisions. I have done lots of apartment projects myself. Yes, the land prices here in Las Vegas are very high, and they are very high because it is limited. I think each and every one of you legislators has a job to start pressuring BLM to open more land. That will change that whole subject of land cost and will allow affordable housing. First, it will lower land values across the valley, and second, it will make large plots of land available for new subdivisions for specific markets. Changing the current zoning would do nothing but penalize me and undermine my hard work to live in this area. I love this area because it is quiet, and I want to stay there the rest of my life. I am in the process of building my final house for myself and my wife. Please maintain "preserve" and not allow "consider."

Tommy Lopresti, Private Citizen, Las Vegas, Nevada:

I am here also speaking on the verbiage in the amendment [\[Exhibit F\]](#) mentioned on pages 7 and 12 of [A.B. 213](#), as it pertains to the rural neighborhood preservation areas. I keep hearing it does not impact zoning or change the process at a local level. It makes me wonder why make the change at all. This may seem like a subtle change, but it is one that will permit governing bodies to drastically alter the character and density of our rural neighborhoods. If you search for definitions of "preserve" and "protect," the same synonym is used: defend. That is what our group has been doing in regard to the RNP for decades while losing tens of square miles that were once protected in the interim. There must have been a reason these words were originally used when drafting this bill, and I believe it is because the authors knew these were rare and strategic areas that would one day face a need for such strong and defined barriers. It seems as though that time is now.

Between waivers of development standards, special use permits, and the sliding scale of buffer zone requirements, developers have myriad tools at their disposal to push projects through the border on responsible development where all we have is the current verbiage in this bill. We are all for growth and development as long as it is done with respect, responsibility, and thoughtfulness of the areas in which it takes place.

We ask that you omit this change to A.B. 213 and leave us the small advantage we have over defending what is left of our rural neighborhood preserves, as we have become the minority; and what developers claim to strive for when referring to diversity in development, for one, referring to diversity in housing, and protect these areas I would venture to guess many of these subsidized housing recipients might strive to call home themselves one day.

Kathleen Buchanan, Private Citizen, Las Vegas, Nevada:

I am in opposition to A.B. 213. This bill is designed to revise provisions governing residential zoning to destroy the Lone Mountain Rural Preservation District. Essentially what is being proposed is to simply loosen the standards by creating the narrative of flexibility, or as I heard today, the Housing Modernization Act. This means increased residential density for multi-family or multi-story residential development. This would include affordable housing projects through efforts to rezone, diminishing the original intent of the land use.

In a prior presentation by Clarion to the Clark County Planning Commission, it was conveniently glossed over by the presenter of this bill regarding the 10 percent minor deviations they may want to allow by administrative approval, saying it applies to a few minor things such as signage. It appears to include lot size, wall and building heights, setbacks, parking lots, et cetera. In essence, what is being proposed is to neuter the rule overlay plan as it exists without removing it completely.

Finally, as the sponsor of A.B. 213, Assemblywoman Jauregui of the Committee on Commerce and Labor should disclose she is a real estate agent who will benefit financially from the revised provisions governing residential zoning. As such, she should recuse herself from voting on this matter. To do otherwise represents a substantial conflict of interest.

Star Stewart, Private Citizen, Henderson, Nevada:

[Read from letter in opposition, [Exhibit H](#).] I am a Henderson resident, born and raised Nevadan, a taxpayer, and a full-time working mom who has worked in the energy efficiency field for almost 25 years. I own a home inside the Mission Rural Neighborhood Preservation area. The Mission RNP is a beautiful neighborhood where the yards and homes are well taken care of. This is not because we have a homeowners' association, because we do not, but because the residents in our neighborhood take pride in the area. We enjoy our rural lifestyles. We appreciate the beautiful Nevada desert, and we want to preserve it not only for ourselves but for generations to come.

I am a thousand percent opposed to A.B. 213 as it pertains to rural neighborhood preservation areas. I am opposed to any language changes to the *Nevada Revised Statutes* that take protections away from rural neighborhood preservation areas. There are approximately 30 acres of land across the street from me. This land has gone up for auction in the past, but it did not sell. Only large-scale developers have that kind of money to buy land in bulk. I believe these developers do not want to buy the land now because the profit margin is not good enough, since they can only build one or two homes per acre. This bill would change that. We know local governments typically follow state laws and changes to

those laws. As soon as this bill has passed, a large developer could come in and build four more homes per acre on that land. This would fundamentally change the character of our neighborhood, which was the original purpose of the RNP protections in the first place. It would bring down home values in the process. The RNP language changes in this bill are not good for anyone except the builders and developers who want to add more money to their bank accounts. I ask that no changes be made to the NRS pertaining to rural neighborhood preservation areas by either removing the sections of the bill or voting no on A.B. 213.

Cassia Lopez, Private Citizen, Las Vegas, Nevada:

I oppose A.B. 213 due to the wording change from "ensure protection" to "ensure consideration." This wording seems very dangerous to the rural areas mainly because many of these areas are unincorporated Clark County or township. In those places the local government is the county, and oftentimes they do not fully represent us the way we want to be represented. The conversation about the neighborhood adding up to 32 years of growth does not help with reassurance that these areas will not be targeted for rezoning in the future. Please reconsider changing this wording.

Nicole Chandler, Private Citizen, Las Vegas, Nevada:

I am a homeowner in the Northwest Rural Preservation. I ditto the previous comments from neighbors. I would also like to clarify the 32-year tie-up Assemblywoman Jauregui made the statement on. I do not think the land is tied up. Property owners here have paid more money for these properties. We have spent hundreds of thousands of dollars renovating, updating, and upkeeping these properties. This land is not tied up. To remove this protection verbiage we all know is just the first step to taking away all the rural preservations, property values, crime, traffic, and all the things that come along with the Housing Modernization Act. If you look at all the people who are in support of this bill, 99 percent of them are people who are going to profit from this bill being passed. I do oppose this bill.

Lisa Mayo, Private Citizen, Las Vegas, Nevada:

I am here in opposition to A.B. 213. I think when there is so much time spent on this bill trying to tell us that section 4, subsection 1(d)(3) that removes the word "preserve" to "consider," and so much time is spent saying it does not matter, tells us it does matter. It matters because when we are in a fight trying to save rural neighborhoods, you know the developer and others will come and say, Oh, but A.B. 213, and the NRS says that we only have to consider it. This language needs to be removed. Everybody said it does not matter or is not going to matter locally. Please remove it.

Alisha Nilson, Private Citizen, Henderson, Nevada:

I am also a resident in the RNP out in Henderson, the River Mountain Ranch Estate. I am going to ditto everything that has been said so far regarding the removal of the words "protection" and "preserve" on pages 7 and 12 for the rural neighborhoods.

My other big concern with this is I heard a lot of the presenters talking about how the goal is to speed up the building process. While I can appreciate that, my concern is, with that building progress and speed happening, are there any stipulations or anything in place to

ensure the infrastructure necessary to support and sustain these newly developed areas is going to happen? This includes health care and making sure we have adequate providers for the new population as well as public safety, police and fire, and our other utilities as well, such as the roads, Internet, and all of those necessary structures. At least out in Henderson, this is going to affect your suburb areas, some of the only places where there is land left. I am opposed to A.B. 213 for these reasons.

[A packet of letters in opposition, Exhibit I, was submitted but not discussed and will become part of the record.]

Chair Marzola:

I want to say at this time it has been 30 minutes of opposition testimony, so we are not going to take any more testimony in opposition. For anyone who did not get to speak today, you are more than welcome to submit your testimony in opposition to Assembly Bill 213 in writing to the committee secretary. We are now going to move to testimony in the neutral position on Assembly Bill 213. Is there anybody wishing to testify in the neutral position?

Jonathan Leleu, representing NAIOP:

I apologize. I was unable to join the call to submit testimony in support. I am going to ditto everything that was said earlier, and I will submit my testimony in writing.

Janet Lacombe, Private Citizen, Las Vegas, Nevada:

I am a resident of one of the rural preservation areas. I would like you to consider that recently, there was bill, Assembly Bill 220, regarding wells and septic conversions.

Chair Marzola:

Are you testifying on A.B. 213 in the neutral position?

Janet Lacombe:

Yes, I am.

Chair Marzola:

Let us discuss A.B. 213.

Janet Lacombe:

The language in that bill was put at the state level. When people ask why it is not at a local level, as this is a local matter, the response was at the state level we can cut through all the red tape and not have to deal with all the localities for septic and wells. Why can the citizens not be afforded that same respect of having language at the state level?

Cyrus Hojjaty, Private Citizen, Las Vegas, Nevada:

We would like to thank Assemblywoman Jauregui, and we even got a good presentation from the Home Builders Association. I have met a lot of their members before about this issue. We need to expand housing supply and speed up the process. I would also consider trying to make sure certain areas are preserved, such as the culture, the feel, and the

demographics. All those things matter. I like to ditto that comment of what the testifier said about the BLM where the process can get in the way and can have an impact on housing affordability. I believe I spoke to Ms. Moss about this, and she told me about this several years ago. Hopefully you can make some changes to it.

Chair Marzola:

Is there anyone else wishing to testify in the neutral position? [There was no one.]
Assemblywoman Jauregui, would you like to give any final remarks?

Assemblywoman Jauregui:

First, I want to state on the record that I do not hold a real estate license. I am working on a tweak to section 8 to address water purveyor issues. That is something that is unique to southern Nevada. I want to thank the local governments for sharing their concerns. I know staffing is an issue. We hear it in this body every single day from state agencies, so I know they are facing those challenges as well.

Related to section 1, the three days to review an application is already in statute. What I envision here is simply saying you have everything you need to start the review process, and if you do not, then you are incomplete. With the reporting, I appreciate the remarks that were given from our local governments on developers or engineers taking too long to respond. The great part of this bill is that it will also hold developers to deadlines and hold them accountable if they continue to turn in incomplete applications or delay the process, and that is where the reporting, that information, comes online. It is so we, as legislators, can see that information and see where the delays are occurring.

I also do want to commend the city of Las Vegas for their comments on the preapplication process. I have heard from a lot of people they have one of the best processes, and I want to make sure we continue to have discussions on this process to be sure their process is not negatively affected.

I know it is hard for the local governments to get up and have to oppose this bill. Nobody wants to oppose housing. We all want the same thing, which is homes for the people we represent. I look forward to continuing our discussions so that home means Nevada for every Nevadan.

Chair Marzola:

Thank you again for bringing this bill forward. I will close the hearing on A.B. 213. We will go to recess. [The meeting recessed at 4:37 p.m. and reconvened at 4:39 p.m.]

Before I open up the next bill, I want to remind everyone that there will be no personal attacks in this Committee. We are here to talk about the bill, and the bill only, whether you are here to testify in support, opposition, or in neutral. With that, I will now open the hearing on Assembly Bill 298, which revises provisions governing housing.

Assembly Bill 298: Revises provisions governing housing. (BDR 10-249)

Assemblywoman Sandra Jauregui, Assembly District No. 41:

I am here today to present Assembly Bill 298. I will keep my opening remarks brief, since I have already laid out the work I have done on these two bills and the time all the parties have invested into producing the bills you have before you.

I am joined at the table today by Keith Lynam from the Nevada Association of Realtors and Jonathan Norman from Legal Aid Center of Southern Nevada. We are a very unique team here together, but one that is here in support of a common goal to achieve affordability in housing. I would first like to turn it over to Keith Lynam with the Realtors for remarks, then to Jon Norman with Legal Aid Center, and then I will take it back over to walk the Committee through the bill.

Keith Lynam, representing Nevada Association of Realtors:

We want to thank Assemblywoman Jauregui for working with us diligently several times during the interim to bring some commonsense solutions to affordable housing for those who are leasing and those who are renting those homes out. We represent both sides of this. You have heard me say this before, and I will say it again; we represent both sides. I believe we are unique in that. We represent landlords, and we represent tenants. We are at the forefront of this. We want to make sure we come to support this important bill. Again, we appreciate Assemblywoman Jauregui for bringing this forward, and we appreciate the opportunity to come forward with a solution. We are in full support of A.B. 298.

Jonathan Norman, Statewide Advocacy, Outreach and Policy Director, Nevada Coalition of Legal Service Providers:

We, along with other nonprofits at the epicenter of the housing crisis, in addition to representing tenants facing eviction, our clients include children in foster care, adults in guardianship, elders who have been defrauded, families struggling to get education supports for their special needs children, victims of human trafficking, and those fleeing domestic violence. The thread that ties all of our clients is housing. Their legal issues are varied, but across every service area, our clients are struggling with housing. When a tenant moves to Nevada or faces housing transition, there are barriers to housing that are complex, like housing stock and rising rents. There are other barriers that are artificial and center around some landlords who use application fees as a source of profit.

When tenants are competing for housing in an ecosystem of housing scarcity, they often have to submit numerous applications and pay the associated application fees. When those fees are artificially inflated beyond the cost of processing the applications and running background, it robs working people beset by inflation of the resources to pay security deposits or first month's rent. No landlord should see this as an opportunity to profit. After speaking with many landlords in the industry, I am convinced this is a practice the vast majority of landlords believe should be illegal.

We find tenants who are asked to pay a fee for everyone in their household, including children. If a landlord does not conduct a check, the tenant should be refunded that money. In 2022, there was an article about a Clark County teacher who was living in her car, and she had paid almost \$1,000 in application fees. We regularly hear stories like that in our offices. Transparency and honesty in fees is fundamental. If a tenant is going to be charged a fee in addition to rent, that should be plainly disclosed when the tenant is considering renting the unit. This bill addresses both these concerns: the disclosure issue and the application fees.

Again, in speaking with industry, I believe there are a few bad actors who hide fees and then assess them, whether that is a remote-control fee for a furnished apartment that has a television, a lightbulb-change fee, or paying rent via portal. Consumers deserve transparency, and good landlords already provide it. This bill reaches those landlords who are operating in an unfair and, frankly, sneaky manner. Obviously, sitting here with the Realtors, I am convinced that most landlords, including the ones I have talked to throughout this process, are doing the right thing. This bill is reaching those people who are hurting our clients and operating outside of the, I would say, moral framework of our ecosystem.

Assemblywoman Jauregui:

Again, like I said, we are a unique team. You do not really see the Nevada Association of Realtors and Legal Aid Center at the table together. As Mr. Lynam said, they were happy to have a seat at the table with us because they represent both the tenants, whom they show these rentals to, and the landlords as well. I want to thank both of them for being here. This was a labor of love and something we have worked on for a very long time.

I would like to walk the Committee through the bill. Section 1 deals with returning any fees to applicants who apply for a unit but were never screened. If ten applications come in from one unit and the landlord or property manager takes that very first application, then the fees for the other nine would be returned. Section 2 adds appendixes to the end of the lease, one outlining all of the fees that can be charged, and the second with an explanation of the rights of the tenant. Section 3 is being deleted completely by the amendment [[Exhibit J](#)]. Section 4 creates the rent stabilization pilot program for seniors and those on disability. I am open for any questions.

Assemblywoman Kasama:

I love to see all of you at the table together. I wanted to put on the record, and make sure under section 1, if we run the application fee and it is denied because of what comes up in the report, no refund is required. We would deny the applicant, we are keeping their fee, and we are moving to the next person.

Assemblywoman Jauregui:

That is correct.

Assemblyman O'Neill:

Once again, not being in the rental business, I may not understand the terms. In section 2, subsection 3, paragraph (o), "A separate appendix that contains a clear and concise

explanation of each fee that may be charged during the term . . . ," help me understand. If you are in a homeowners' association (HOA) development, the landlord pays the HOA fees, correct?

Assemblywoman Jauregui:

That all depends on the lease agreement.

Assemblyman O'Neill:

Well, let us say they do. The owner of the property is still responsible for that dwelling. If the renter makes a violation to the HOA and is hit with a fee, is that covered under this part? If I were the owner, I would not necessarily know how much the HOA is going to charge me. How do I get to those unknown fees that pop up regularly? I own a house and I have regular unknowns that occur. That is what I am trying to figure out. The language is very precise to me.

Assemblywoman Jauregui:

What I envisioned for this was an appendix listing all of the fees that can be charged. If the fee is not listed on this appendix, and that is part of this bill as well, then they cannot charge the tenant. We heard it earlier with a very similar bill. This is so a tenant can, with one quick glance, look at all of the fees that can be charged. A landlord or property manager can have in that appendix a line item that says any fees as a result of a violation of an HOA will be paid for by the tenant. If they do not list it in here, according to this bill, it would be unlawful for the landlord or property manager to assess any fees that are not listed in this appendix.

Assemblyman O'Neill:

I would not have to list the amount, just the renter would be responsible for those violations that the HOA, or what these unforeseen fees may be. In other words, they throw an excessive party and get fined by the HOA, or they sublet it, and there are expenses there that come into play. I can say they would be responsible for any fines, fees, et cetera and do not have to list the exact amount. Am I getting this correct?

Assemblywoman Jauregui:

It was my vision that anything that is a hard cost be listed. If they are going to charge a fee for a lightbulb change, that needs to be listed in there—if there is an unknown fee they cannot predict, as long as it is listed in there. For example, I know we have come across some lease applications where an order for a service if something breaks, it is similar to how you would have an insurance deductible. I have seen that in rental lease agreements as well. That deductible would have to be listed. I want every single fee that is a hard cost fee to be listed on one appendix. If there is an unknown fee, if it is listed on there but it is unpredictable, as long as that is listed on there, then it can be assessed. If it is not listed on there, then my new language in this bill says it would be unlawful for a property manager or landlord to charge for it.

Chair Marzola:

Are there any other questions? [There were none.] We will move to testimony in support of A.B. 298. Is there anyone wishing to testify in support?

Dylan Keith, Assistant Director, Government Affairs, Vegas Chamber:

We are in support of this bill. We believe it removes significant barriers that are experienced by folks who are trying to rent in good faith. It also protects a lot of the landlords who are doing this the right way and using their morals to do a service to as many people as they can. It specifically points out bad actors. For that perspective, we urge your support on this bill.

Christine Saunders, Policy Director, Progressive Leadership Alliance of Nevada:

We are here in support of A.B. 298. First, I want to thank Assemblywoman Jauregui for reaching out and meeting the tenant stakeholders on this bill. We are thankful to see so many bills seeking to address access to safe and affordable housing, which is the number one issue facing Nevadans today. The rapid increase in housing instability is undermining educational and economic opportunities in our communities across the state. It is time that housing is seen as a right and not a commodity. Our communities cannot thrive when Nevadans are struggling to maintain safe and secure affordable housing. Housing stability is the foundation for children's educational success, positive health outcomes, economic opportunity, and equitable, vibrant communities. Tenants in Nevada have struggled to keep up with rising rent costs and dealt with lackluster tenant protections for far too long. Assembly Bill 298 is a step in the right direction to ensure that Nevadans can find and maintain affordable housing without being stretched too thin. We urge your support and look forward to action on tenant protections this session.

Paul Catha, representing Culinary Workers Union Local 226:

We support A.B. 298 and thank Assemblywoman Jauregui for bringing it forward. This bill addresses the predatory behavior that has been on the rise in the rental market in the last few years, which is damaging Nevada. As recently stated by Governor Lombardo's team at the Governor's Office of Economic Development, lack of affordable housing is one significant barrier to economic development in Nevada. This bill will protect Nevada's residents and its economy by making Nevada's housing market more affordable and predictable. In a 2022 survey of Culinary Union members, 21 percent said their rent has gone up \$500; 21 percent said they are charged monthly fees in addition to rent; and 15 percent said they pay more than \$100 in fees each month. Rent increases have outpaced wage growth from the first quarter of 2019 through the second quarter of 2022. Market rate rent in Las Vegas increased 33.1 percent while average weekly earnings only grew 21.4 percent. In 2021, investors bought 18 percent of the homes in the Las Vegas metro area. In some metro areas, investor purchases accounted for as much as 26 percent—over a quarter of homes sold. According to the January Census Bureau's Household Pulse Survey, 49.8 percent of adults in Nevada experience difficulty paying for the usual household expenses in the last seven days. Already in the first week of 2023, Las Vegas had the most eviction filings among most major U.S. cities.

While the Culinary Union supports some of the stronger measures contained in Senator Doñate's Senate Bill 78, the provisions of this bill pertaining to application fees and tenant transparency for other fines and fees would certainly be a step in the right direction. The Culinary Union believes that every Nevadan deserves to be treated with dignity and respect. Nevadans should not have to choose between having food on the table and having a roof over their head. The Culinary Union urges the Committee to support and pass A.B. 298.

Eric Jeng, Acting Executive Director, One APIA Nevada:

We want to thank Assemblywoman Jauregui for presenting this bill. Last year, our organization knocked on more than 73,000 doors in the Asian Pacific Islander American (APIA) community and talked to more than 6,000 of the households. This is the first time we found out housing has replaced health care and education to become the most prevalent issue for our APIA working families. I want to ditto my partner's comment here, and we want to make sure this has been proposed and is a positive outcome and the right step for our community. We urge your support on this bill.

Maria Moore, State Director, AARP Nevada:

I am speaking in support of A.B. 298. It is important that there is transparency and clarity to the rental application process for residential rentals. This legislation clarifies that all owners and managers who collect application fees will provide prospective renters with a written disclosure including the amounts. Further, the legislation also creates a process for prospective renters to recover a paid application fee if the prospective renter's application is denied. This helps in reducing monetary burdens on renters who invariably are already burdened with the ever-increasing rents.

It is important that rental fees and deposits are not charged when there is no apartment to rent. When they are charged, they should be reasonable and proportional to the cost of the landlord's processing of that application. Similarly, when it comes to deposit, this is especially important for older adults who rent, who tend to be on fixed incomes and are more likely to be low-income and cannot afford to pay excessively high application fees and security deposits. We applaud the legislation of Assemblywoman Jauregui and thank the Committee for your time and consideration.

Laura Tooker, representing Nevadans for the Common Good:

Previously you heard about our organization and our unique position to hear from residents. I will not repeat that. I have submitted written testimony [[Exhibit K](#)]. I would like to take the next few minutes to share a specific story that exemplifies our stance. We heard a story from a clergy member who had been forced to pay hundreds of dollars for each application for a rental, with each application fee including costs for each family member. This means as a family of five, he is paying more for each application than most. Currently, these application fees are not refunded when the potential tenant does not get the rental for which he applied. This application fee structure can quickly deplete money needed for a deposit or paying rent once a unit is obtained, and it limits a person's ability to apply for other housing

when not accepted for a rental unit. This burdensome process of obtaining housing has led the clergy member to consider relocating to another state in order to have an opportunity to obtain a lease and house his family.

Assembly Bill 298 addresses this concern by providing for a refund of application fees when the prospective tenant does not obtain a lease agreement. This bill also limits an application fee to the costs of any background and credit check, which will limit the discretionary nature of these fees that exists today. We hope this will also limit the application fee to be collected from only the perspective lease signers, rather than every member of the family, including children, as we heard from that clergy member.

Application fees should not be seen as a revenue source for our landlords or property managers. They should merely be a mechanism to cover the direct and actual costs of background checks. Assembly Bill 298 provides additional tenant protection by requiring appendices to a lease that contains a clear and concise explanation of each fee the tenant may be charged and the tenant's rights for federal and state laws as well as local ordinances. Nevadans for the Common Good encourages you to support this bill, which reduces barriers and adds key protections for tenants who make up nearly 50 percent of our community.

William Pregman, Communications Director, Battle Born Progress:

I am testifying today in support of A.B. 298. As others have mentioned, it is imperative that issues of skyrocketing rents and housing instability be addressed this session. Transparency in rental agreements is something that should be absolutely baselined to help reduce burdens on renters, prevent misunderstandings between landlords and tenants, provide accountability, as well as help people avoid eviction and stay in their homes. We would like to thank Assemblywoman Jauregui for bringing forward this bill, and let us make sure we do what we can this session to level the playing field for tenants and increase transparency in the process.

Chair Marzola:

Is there anyone else wishing to testify in support? [There was no one.] We will move to testimony in opposition to A.B. 298. Is there anyone wishing to testify in opposition?

John Sande, IV, representing Nevada State Apartment Association:

I want to thank Assemblywoman Jauregui for her work on this bill. I am new to representing this client, so I was not able to participate in all the discussions, but I know there were several months of work that has gone behind this. We actually support a majority of the bill. We definitely support the disclosure of fees and not making application fees a revenue source. We definitely supported those provisions in S.B. 78 as well as here.

Even though it has been scaled back and narrowly tailored to get at the cause of what Assemblywoman Jauregui is trying to get to in the bill, we still have issues, philosophically, with rent control. While rent control aims to make housing more affordable for low-income renters, it can also have negative effects on the housing markets and the overall economy. Economists from around the world have rejected rent control as effective in increasing the affordability of housing. Here is a quote from Swedish economist Assar Lindbeck, a

self-proclaimed socialist who is tremendously vocal on the impacts of rent control: he stated, "Rent control appears to be the most efficient technique presently known to destroy a city—except for bombing."

I recognize my time is limited, so I will limit my testimony and recognize the five main problems with rent control. First is reduced investment in rental properties. Rent control can reduce the profitability of owning rental properties, and as landlords are limited on how much they can charge for rent, this can discourage landlords from investing in the new rental properties, reducing overall supply of rental units and exacerbating the shortage of affordable housing.

Second, it reduces the quality of rental housing. Rent control can also discourage landlords from maintaining and upgrading their rental properties, as they may not be able to recoup the costs through increased rent. This can lead to a decline in the quality of rental housing and make it more difficult for tenants to find safe and habitable housing.

Third, rent-controlled apartments become scarce. Rent control can create a situation where there is scarcity of rent-controlled apartments, which can result in long waiting lists and create a black market for rent-controlled units.

Fourth, it also decreases mobility. Rent control can make it more difficult for renters to move to new locations for work or for other reasons. Fifth is market distortion. Rent control can distort the housing market and make it more difficult for supply and demand to balance. It can also create inefficiencies in the allocation of housing resources, as some tenants may be paying below-market rents while others are paying high rents.

Overall, while rent control may seem like a solution to a problem to affordable housing, it can have unintended consequences that ultimately make the problem worse. Other policies, such as what we just discussed, increasing supply, are far more effective.

Krystal Sherry, Chapter President, National Association of Residential Property Managers, Nevada State Chapter:

I am speaking in opposition on our organization's behalf on A.B. 298. As far as section 1 is concerned, while we are not opposed to disclosing fees and actually conducting the activity for which the fee was collected, we do want some clarification. We believe the amended language from S.B. 78 clearly spells out, which was also Assemblywoman Kasama's concern, as far as the refunding of a prospective applicant's fee if they are declined. The amended language of S.B. 78 clearly defines that, if that is in the case of a multiple application situation. This language does not say that. It clearly does not say that. It says if they do not get the unit, they get their money back, period; no ifs, ands, or buts.

Moving on to section 2, which are the separate appendices and listing out all the fees that would be charged; we would refer back to the amended language from S.B. 78 because again, in the case of an HOA, if there was a violation, if it was the first offense, second offense, third offense and was not corrected, those fines could be brought in sweeping, and

we are not aware of all times, depending on the violation and how long it occurs, what that ultimate finer fee would be. That is kind of a moving target, so we would be able to lean on that amended language, which actually made sense. The appendices that give the explanation of rights on federal, state, and local ordinances, those are moving targets. I can tell you property managers work seven days a week. We would ask and humbly request that the Real Estate Division provide a state-mandated form that would list all of that for the managers to actually use.

Brenda L. Lovato, representing Institute of Real Estate Management; and GSC Properties:

We have problems with the wordage and verbiage in this. We take applications, but we only take it per unit that is available. We do not take multiple. The only times I have seen multiple situations where applications were taken was when fraud happened. We did have people showing our units online. Those people came and took multiple applications. I am wondering if that is where you are getting some of the issues and problems you have heard.

The other thing is that in the section where you are putting rent control in there for seniors, we oppose any rent control. The reason why is we cannot control our costs. Recently, we were hit with a 27 percent increase from the Southern Nevada Health District. Everything else went up too. Unless you can guarantee our costs are not going to continue to go up, then I have a problem with trying to control rent when we cannot control our costs. It is also counterproductive. As the gentleman who represents the Apartment Association said, it is counterproductive because people do not want to invest in the unit.

Demetria Kalfas-Gordon, Broker/Owner, Hive Real Estate Group, Las Vegas, Nevada:

I want to say ditto to what was said before, and then I want to add; the question is, if the landlord also happens to be elderly, on a fixed income and their costs increase, but they are not allowed to raise rents to cover their costs, and the landlord is no longer able to maintain that property, who benefits from that? We understand that seniors are on a fixed income, but landlords' costs are increasing, and rent control cannot be put in place for any demographic. This will create more of a slumlord mentality as normal landlords maintain their properties, pay all their bills, et cetera, as long as they can maintain the cost. Once rent caps go into effect but inflation keeps rising, all but slumlords who do not maintain or care about their tenants will be left in the landlord arena.

Mark Lister, Property Manager, Nevada Superior Properties, Las Vegas, Nevada:

The portion I oppose in A.B. 298 is the rent control. It is not needed because we already have rent control. It is called the free market. Those of us who were renting properties in 2021, then into 2022, know exactly what that means because last year was very tough to get our properties rented out. The free market is doing what it is designed to do. Rents have gone down. Recently, I lost a tenant who moved out. We rented it at \$1,700 before and now we have to rent it at \$1,600. The free market is at play.

The part I do support is the applications. If anybody knows me, in continuing education classes I have been railing against taking ten applications from one house and keeping the fees. I do support that part and it. I would like to make sure that if we do get multiple applications and we take the first one, then yes, it is fine to give those application fees back. But if we can only take one at a time and have to wait for another one when we have to deny the first, that would be counterproductive for the owner.

Kyle Brennan, Real Estate Broker, PFM Property Management, LLC, Las Vegas, Nevada:

I oppose A.B. 298. One issue is obviously the rent control. As my colleagues have said, the market has taken care of itself as of right now. Rent was going up over last summer and a little bit before that, and as of right now, it is definitely on the decline. There is nothing I can do to raise the rent over what the market is. That does not make sense. Sections 4 and 5 are not in blue in your bill, which is part of the rent control, which also means that more people would be here.

There is a developer up in North Las Vegas at the Culinary Union who was going to start building, but if this passes, he is not going to build anything. He is pulling out. That is based off the rent control. There is no transfer tax. Who does this stick to in section 3, subsection 15? If there is no transfer tax, then there should be some sort of a requirement for them to stay two years; otherwise, they just stay there and then move on. We are opposed.

Christian Salmon, Private Citizen, Las Vegas, Nevada:

I think the important thing to look at here is, throughout the bills we heard today we have been talking about how we want to increase housing. As the last testifier just mentioned, somebody may be pulling out if there is rent control because their costs are not fixed, but rent control would fix their income. I have to ask; I know people from various professions are on the panel. Are you in our shoes? Do you know what it is like to say, You know what, I am going to allocate some capital to purchase a building, and I am going to allow others to live in here, and I have risk? We are not Warren Buffett. We have real expenses, and we have real lives. We are busy all the time trying to get everything done. When we are talking about rent control, all I can say is, I feel the same way. If it comes too close, if I am encroached too much, or if it is too uncomfortable and I see greener pastures elsewhere, even outside of the state, I will keep my ear out. I do not know where this state is going. This spooks investors.

What you are trying to do with some of these other bills, you are going to prolong it. I have been in the Culinary Union. I understand where they are coming from, but this is not the answer. Without going down a long road here, we have economic policy, and it is very dangerous in this country. We have the U.S. dollar on the brink of collapse. When that happens, it is going to really be bad. That is coming from the top up, that is not coming from Nevada. Unfortunately, we have people who do not know economics that are making economic policy. That is the cause. It is not all these other things we are talking about for

the most part. Again, I want to be an honest landlord. I ask you to really think about what it means to own an asset and put it out there. Somebody I just talked to is losing \$30,000 because the tenant messed up the apartment.

Chair Marzola:

Is there anyone else wishing to testify in opposition? [There was no one.] We will move to neutral. Is there anyone wishing to testify in the neutral position on A.B. 298? [There was no one.] Assemblywoman Jauregui, would you like to give any final remarks?

Assemblywoman Jauregui:

I will keep them brief because I know it has been a long day and a long hearing for all of us. I would like to remind everyone that we were all on the campaign trail this last year, and I think we have all heard the same remarks, specifically with the section of rent stabilization. I think this was a great compromise with everyone at the table. Again, it is not mandating something long term, but it is piloting something. There is a sunset date on it if you read through the bill, which will sunset this on December 31, 2024, giving us the opportunity to see if this is something that works for our state, or if it is something that does not. We are doing it with our most vulnerable population: our seniors who are 62 years old and older and those who are on disability who do not have the opportunity to make more money. They are on a fixed income.

Chair Marzola:

Thank you for bringing this bill forward. I will close the hearing on A.B. 298. I will now open up public comment. Is there anyone wishing to give public comment? [Public comment was heard.]

This concludes our meeting for today. Our next meeting will be Friday, March 31, 2023, at 1:30 p.m. This meeting is adjourned [at 5:20 p.m.].

RESPECTFULLY SUBMITTED:

Julie Axelson
Committee Secretary

APPROVED BY:

Assemblywoman Elaine Marzola, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

[Exhibit B](#) is the Attendance Roster.

[Exhibit C](#) is a proposed amendment to [Assembly Bill 218](#), submitted and presented by Assemblywoman Venicia Considine, Assembly District No. 18.

[Exhibit D](#) is a letter dated March 29, 2023, submitted and presented by Laura Tooker, representing Nevadans for the Common Good, in support of [Assembly Bill 218](#).

[Exhibit E](#) is a proposed amendment to [Assembly Bill 327](#), submitted and presented by Assemblywoman Venicia Considine, Assembly District No. 18.

[Exhibit F](#) is a proposed amendment to [Assembly Bill 213](#), dated March 28, 2023, submitted and presented by Assemblywoman Sandra Jauregui, Assembly District No. 41.

[Exhibit G](#) is a letter dated March 29, 2023, submitted by Aviva Gordon, Chair, Legislative Committee, and Emily Osterberg, Director, Government Affairs, Henderson Chamber of Commerce, in support of [Assembly Bill 213](#).

[Exhibit H](#) is a letter submitted and presented by Star Stewart, Private Citizen, Henderson, Nevada, in opposition to [Assembly Bill 213](#).

[Exhibit I](#) is a packet of letters in opposition to [Assembly Bill 213](#).

[Exhibit J](#) is a proposed amendment to [Assembly Bill 298](#), submitted and presented by Assemblywoman Sandra Jauregui, Assembly District No. 41.

[Exhibit K](#) is letter dated March 29, 2023, submitted and presented by Laura Tooker, representing Nevadans for the Common Good, in support of [Assembly Bill 298](#).