



2020 Special Session Report

CAI's Nevada Legislative Action Committee (NV LAC) had a busy special legislative session. The 17-member committee including our CAI Nevada Chapter lobbyist, Garrett Gordon actively lobbied to included community associations in SB 4, an emergency bill addressing COVID-19 related business liability. The initial bill introduced defined "Nonprofit organization" to mean "an alumni, charitable, civic, educational, fraternal, patriotic, religious or veterans' organization or a state or local bar association that has been determined pursuant to NRS 372.326 to be created for religious, charitable or educational purposes or that qualifies as a tax exempt organization pursuant to 26 U.S.C. § 501(c)." Most community associations are not qualified as a tax-exempt organization pursuant to 26 U.S.C. § 501(c) and will not be covered by the current definition.

HOAs operate diverse nonprofit businesses. Operations include recreational amenities like pools, tennis courts, meeting spaces, and fitness centers. Operations also include essential shared use common areas like laundry rooms, elevators, and mailrooms which cannot be closed. Most homeowners association insurance is not covering virus-related claims. Without state liability protection and lacking insurance coverage, an association would have been required to pay out of pocket for any litigation. Although COVID-19 claims may be difficult to prove and the association may ultimately prevail, the association must defend any claims brought against it. Homeowners associations who follow COVID-19 guidance should be entitled to the same protections afforded other Nevada businesses and nonprofits.

After several days of actively engaging CAI members in a grassroots campaign, the Nevada Senate amended SB 4 to incorporate an amendment which will cover "any private organization not operated for profit." NV LAC appreciates the Senators in Nevada who responded to HOA constituent concerns to extend liability protections to common interest communities. The Governor signed this bill into law on August 4, 2020.

Nevada Contact Information

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Your Assistance is Needed

Expenses incurred by the LAC are paid for with donations and by Advocacy Fund fees. Corporate contributions are allowed and appreciated. Most community association boards can legally allocate money to support the NV LAC. Please visit www.caionline.org/lacdonate/ and donate to "Nevada" to support our continued efforts.

For more information visit www.caionline.org/NVLAC.