

Via Email

February 5, 2026

Nevada Department of Business & Industry CIC Task Force

Subject: *CIC Task Force – Reconsideration and Framework Submission*

Dear Director Sanchez and Members of the CIC Task Force,

I respectfully submit the attached policy paper, *Reforming Nevada’s CIC Dispute Resolution Systems* for Task Force consideration. Trusted, state-administered adjudication services tailored to common-interest communities are needed to provide accessible, affordable dispute resolution for CIC members and to reduce reliance on the courts, which for many homeowners are not a viable option. The recommendations are intended as practical reform steps toward that goal.

I ask that this correspondence and the attached materials be included in the Task Force record. Should the Task Force find it helpful, I would be pleased to appear to discuss any of these materials or provide additional information.

It is increasingly recognized that common-interest communities have developed into systems of private governance while they lack the public institutional support structures that typically accompany such authority. Clear state-level interpretation of frequently recurring statutory *and* governing-document provisions would be an enormous public service, reducing disputes by addressing uncertainty at its source. Expanding the State’s interpretive and corrective role in this area merits Task Force consideration.

Homeowners’ concerns have predictably persisted as the regulatory framework’s interpretive role has largely fallen into disuse. The issue encountered, several noted in enclosure 3, Unresolved HOA Rulemaking demonstrates, are not isolated. The issue brief on virtual-only board meetings at enclosure 2 provides one simple but concrete example of statutory ambiguity in need of authoritative interpretation. Similar uncertainty surrounds board “workshops,” competitive bidding requirements, and declarant control transition. Collectively, the examples raise a threshold question appropriate for Task Force review: **Are Nevada’s current regulatory processes functioning as lawmakers intended, and if not, what changes are required?**

In meeting with Director Sanchez regarding the Task Force and its agenda, I was assured that the CIC reform suggestions submitted would receive consideration. At that time, I noted that many issues raised at that time and in this letter do not require new legislation: they fall within existing administrative and regulatory authority.

Homeowner confidence in the Division enforcement function has separately declined. Compounding this, significant areas of HOA governance remain outside regulatory oversight due to statutory limits.

Nevada’s bold and innovative decision to establish a CIC regulatory structure did not occur by accident. Lawmakers recognized that associations exercise authority over housing that can take on governance-like characteristics. Limits were placed on that framework. Those limits deserve re-examination two decades later as association powers have expanded beyond basic property management into broader community governance.

Historically, the Division and Commission advanced legislative recommendations and sought statutory clarification based on issues observed in practice. In recent sessions, that forward-looking function has been difficult to identify. The Legislature’s creation of this Task Force is itself a meaningful signal: lawmakers typically do not establish special review bodies where existing systems are widely viewed as clear, fair, and consistently protective.

It is my hope that many of the topics presented here are already the Task Forces' list for review. Given the absence of an as yet publicly identified set of priorities, homeowners have no way to know what concerns are and are not expected to be addressed. For that reason, I ask suggestion provided in this letter be placed directly into the record and be consider for deliberations. I do not request they move to the front of the line, only that they be given a clear and visible place in it.

I also note concern with public participation in the Task Force process itself. A principal reason lawmakers turned to a task force model for CICs was to expand stakeholder input — especially from homeowners — and allow broader vetting of potential reforms than is typically possible during the compressed legislative session. When meetings are held with only the minimum required public notice, conducted exclusively in virtual format, and structured around brief public comment periods, the process may satisfy statutory requirements but materially limit both the breadth and depth of stakeholder engagement—the very thing the Task Force is meant to foster. Absent a clearly articulated plan for broader participation before recommendations are finalized, the Task Force risks replicating the very constraints it was meant to overcome.

At the center of any reform should be Nevada homeowners — individuals and families whose financial obligations, governance rights, and housing stability are shaped by how statutes and governing documents are interpreted and applied. Governing documents can no longer be treated as purely private contracts divorced from the public consequences of their enforcement.

Homeowners do not expect every reform outcome to favor their position, but they will reasonably bristle in the absence of transparency. They expect clarity in the reasoning behind regulatory interpretations and meaningful opportunities to be heard before policies or practices become entrenched. Without that visibility and participation, it becomes difficult for members to understand why certain practices are permitted, to assess whether outcomes are fair, or to have confidence that the system is operating as intended.

The establishment of the CIC Task Force presents an important opportunity to address long-standing statutory ambiguity and needed reform across the full landscape of HOA governance. Stronger institutional support structures for CICs are both timely and necessary. I appreciate the significant time and effort Task Force members are dedicating to this work.

Respectfully submitted,
/s/ Mike Kosor

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Enclosures:

1. *Reforming Nevada's CIC Dispute Resolution Systems* (Policy Paper)
2. Virtual-Only Board Meetings and Statutory Compliance Concerns (Issue Brief)
3. Unresolved HOA Rulemaking and Clarification Requests

