Assemblyperson Brittney Miller, Chair, Assembly Committee on Judiciary (JUD) Via Email To: Brittney.Miller@asm.state.nv.us Cc: AsmJUD@asm.state.nv.us

May 7, 2025

To the Members of the Assembly Committee on Judiciary:

Subject: OPPOSE SB 201

Dear Assemblyperson Miller and Members of the Assembly Committee on Judiciary,

I am writing to express my opposition to SB 201 due to the special treatment afforded to the "prevailing party" clause outlined in Section 1.3 of the bill, Amendment 16. I respectfully request that all of paragraph 4 be removed.

Currently, civil actions can be pursued under NRS 116.4117, which addresses the awarding of attorney fees in cases of **actual damages**. Allegations regarding violations of NRS 116 should first be addressed with the Nevada Real Estate Division (NRED) pursuant with NRS 116.750. An efficient and low-cost system is already in place to handle alleged violations, and this process should not be circumvented.

I am not aware of any other section within NRS 116 that contains its own prevailing party clause. I see no reason this provision should be treated differently.

Furthermore, the unqualified use of the word "action" in Sec 1.3, par 4 creates unnecessary ambiguity. For instance, it is unclear whether a unit owner who files a complaint with the Division, alleging a violation of this bill's provisions and using legal representation, would be entitled to attorney fees if they prevail in that administrative action.

While not directly under consideration with SB 201, I believe that establishing private rights of action, particularly when coupled with a prevailing party provision, for violations of NRS 116 is **contrary to sound public policy**. Encouraging litigation over statutory HOA matters will significantly increase the financial burden on these communities. The combination of private rights of action and prevailing party clauses could foster an environment where well-funded entities utilize litigation to suppress dissent, silence whistleblowers, or intimidate those who question questionable practices within HOAs.

Therefore, I reiterate my request for the deletion of Section 4 from SB 201.

Respectfully.

Mike Kosor

Las Vegas HOA resident

Founder, Nevada HOA Reform Coalition