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Nevada Regulators Consider Rule Allowing \$10,000 HOA Fines and Confidential Enforcement Actions

Homeowner advocates warn proposal could expand enforcement power while reducing transparency

Las Vegas, Nevada — March 12, 2026 — The Nevada Real Estate Division (NRED) and the Commission for Common-Interest Communities and Condominium Hotels (CICCH Commission) reviewed a proposed regulation Tuesday that could expand HOA enforcement powers, including allowing fines of up to \$10,000 per violation.

Two provisions are of particular concern:

- Allow HOA boards to impose fines of up to \$10,000 per violation — a 100-fold increase over the current \$100 statutory limit
- Allow the Nevada Real Estate Division to formally resolve certain HOA violation investigations through confidential administrative “remedial measures”.

Homeowner advocates say the combined effect could expand enforcement authority while reducing transparency and public oversight at a time when public confidence in Nevada’s sole HOA regulator is already fragile.

“Volunteer HOA boards are not public safety agencies,” said NVHOAReform founder Mike Kosor. “Giving private boards authority to classify conduct as a ‘health, safety, or welfare’ violation and impose fines as high as \$10,000 creates a serious risk of abuse — especially when meaningful appeal options are limited.”

Advocates also warn that the proposal appears intended to formalize a practice already occurring in some investigations, allowing alleged violations to be resolved confidentially during the investigative stage. Reform groups argue this approach may exceed the enforcement structure originally contemplated under Nevada law and could further reduce public visibility into how HOA laws are applied.

“Public confidence in HOA regulation is already low,” Kosor said. “If more enforcement decisions occur behind closed doors, homeowners will have no meaningful way to determine whether the law is being applied fairly or consistently.”

Supporters of the proposal say stronger penalties and informal compliance tools may help regulators and associations address problems more efficiently. Reform advocates counter that genuine safety concerns are already addressed through criminal statutes, local government enforcement, and existing HOA compliance mechanisms.

The CICCH Commission is expected to continue reviewing LCB File No. R091-25 in upcoming meetings. Homeowners may submit written comments or attend public hearings as the rulemaking process moves forward.

“For more than twenty years, Nevada communities have functioned without extraordinary fine authority,” Kosor said. “The real question is why regulators now believe private boards should be given sweeping punitive powers.”

NVHOAReform is urging homeowners to monitor the rulemaking process and make their views known before the regulation is finalized.

“These changes would expand enforcement authority at both the HOA level and the regulatory level,” Kosor said. “Homeowners deserve transparency, accountability, and a meaningful voice before such powers are granted.”

About NVHOAReform

NVHOAReform is a Nevada homeowner advocacy organization focused on improving transparency, accountability, and fairness in the governance and regulation of common-interest communities.