

HOA Nevada's Third Rail of Politics- really?

Op-ed by Mike Kosor, Col USAF Ret.

A single lobby, the Nevada chapter of the Community Associations Institute (CAI), is again hard at work this 83rd session of Nevada's Legislature. No surprise. What was surprising for me is the number of owner friendly HOA bills that surfaced - a true rarity for Nevada biennial legislative conclave. As someone who has for years advocated for HOA reforms, finding representatives with the courage to sponsor change is a challenge. I was excited for this session. A month into the session, it appears I allowed naivety to fuel my early optimism.

Lobby efforts behind the scenes have targeted, systematically killing, most every owner friendly HOA bill. HOA legislation is born in the Judiciary Committees of both houses. The Chairs call the shots. Not engendered equals a bill's death. This collective inaction appears fueled by partisan anger spilling down from the national scene stoking revenge at the state level- with little care for the impact.

Deep pocket HOA industry benefactors give to both sides of the aisle. This has aided CAI in accumulating enormous control over Nevada's HOA legislative agenda. It has for years successfully walked the halls in Carson City alone. Owners have no organized counterweight to this lobby. Hard working folks struggling for a piece of the American dream, with ever decreasing choices outside an HOA, are absent in the sausage making. They unwittingly rely on their elected representatives to do the right thing- protect their dreams.

CAI cannot publicly oppose common sense efforts at protection- the objective of most every HOA bill floated this session. So, none are getting heard. This is not new to this year's assembly of dignitaries. HOA owners should not expect their representatives to sound out. These dynamics, year on year, have Nevada's HOA laws evolving - I argue degrading- into the present condition. "HOA" has become a four-letter word for legislators. Even the CIC Task Force, established by a special piece of legislation in 2019 to address what I describe here, is on the chopping block. We are a far cry from when, not long ago, Nevada was touted as a leader in HOA owner protections

Select developers, HOA management companies, and the handful of attorneys specializing in HOA law, all seeing HOAs as rainmakers, remain firmly in control. Loopholes *created* permit engaging in conflicts of interests and blind eyes to failures of obvious good business practices, such as bidding major contracts. HOAs are now suing owners for simply applying to serve on their "quasi-governmental" boards, hold secret meetings, and developers control HOAs for decades, all while confidentiality provisions protect the blind eye of the State's sole regulator, the Nevada Real Estate Division (NRED).

I find most elected representatives have a poor understanding of HOAs. Add the above and it is no wonder most refuse to bring an owner friendly HOA bill forward. Too much political capital risking "other priorities". To those few who have shown courage this session- a big thank you on behalf of HOA owners like myself. When retirement brought me Nevada, which I love, I did not foresee HOA legislation as Nevada's third rail of politics.