

AB 129(2025)
By Mike Kosor, 1.30.25

The following is a proposed friendly amendment to AB 129.

The amendment (1) deletes the requirement for three bids, (2) modifies language and establishes board requirements when approving other than the lowest bid, accepting a single bid, seeking additional bids, or in emergencies, (3) requires contracts be bid at least every three years, (4) prohibits a declarant board from approving a bid from an entity the declarant has a financial or control interest and (5) directs CIC Commission and NRED Administrator's involvement in making the bidding process effective for associations .

Blue is new language in the original bill; (2) variations of purple is language proposed to be added in this amendment; (3) red is deleted language in the original bill; (4) green [bracket] is language proposed to be deleted in this amendment

116.31086 Solicitation of bids for association project; bids to be opened and read aloud at meeting of executive board.

1. [If an association solicits bids for an association project] Except as provided in subsection 2, an association [must, whenever reasonably possible,] shall solicit [at least three] bids [if] [the] for an association project [is] expected to cost:
 - [(1)] (a) In a common-interest community that consists of less than 1,000 units, 3 percent or more of the annual budget of the association; or
 - [(2)] (b) In a common-interest community that consists of 1,000 or more units, 1 percent or more of the annual budget of the association. [; and (b)]
2. An association is not required to solicit bids for an association project described in subsection 1 in [if] an emergency. [any undue delay in the commencement of the association project could exacerbate property damage or pose a risk of injury.]
3. Submission of a single responsive bid may, upon approval of the board, serve to satisfy the requirement of subsection 1 and subsequently considered for approval.
3. The bids shall [must] be opened [and] summarized [read] aloud during a meeting of the executive board. Bids submitted must be retained at least 180 days for unit's owner inspection upon request.
4. An association that awards a contract for an association project to other than the lowest responsive bid[der], to a single bidder, cancels and rebids, modifies bid requirements, or finds an emergency exception under subsection 2, shall provide the reason(s) in meeting minutes.
5. During the period of declarant's control of an association pursuant to NRS 116.31032, a contract for the management of the association shall not be awarded to any person or entity in which the declarant, entity affiliated with the declarant, or employed by the declarant, has any financial or control interest.
6. [2.] As used in this section, "association project" includes, without limitation, [a project that] the allocation of association funds [that involves] for the maintenance, repair, replacement or restoration of any part of the common elements, for common expenses, or which involves the provision of professional services to the association, including, without limitation, accounting, engineering and legal services, that have not been subject to bid solicitation provisions of this section in the past thirty-six (36) months.
7. As used in this section, a bid is considered "responsive" if it indicates compliance without material deviation from the requirements of the solicitation and terms and conditions of the proposed project.
8. As used in this section an "emergency" exists when it is determined soliciting bids would delay the commencement of the association project exacerbating property damage or pose an otherwise avoidable risk of injury.

NRS 116.643 Authority for Commission or Real Estate Administrator to adopt regulations requiring additional disclosures for sale of unit and bid solicitation. The Commission, or the Administrator with the approval of the Commission:

(a) may adopt regulations to require any additional disclosures in the case of a sale of a unit as it deems necessary.

(b) shall adopt regulations to assist associations in soliciting for bids pursuant to NRS 116.31086.

The clean statute as proposed and approved would read:

NRS 116.31086 Solicitation of bids for association project; bids to be opened and read aloud at meeting of executive board.

1. Except as provided in subsection 2, an association shall solicit bids for an association project expected to cost:

(a) In a common-interest community that consists of less than 1,000 units, 3 percent or more of the annual budget of the association; or

(b) In a common-interest community that consists of 1,000 or more units, 1 percent or more of the annual budget of the association.

2. An association is not required to solicit bids for an association project described in subsection 1 in an emergency.

3. Submission of a single responsive bid may, upon approval of the board, serve to satisfy the requirement of subsection 1 and subsequently considered for approval.

3. The bids shall be opened and summarized aloud during a meeting of the executive board. Bids submitted must be retained for at least 180 days for unit's owner inspection upon request.

4. An association that awards a contract for an association project to other than the lowest responsive bid, to a single bidder, cancels and rebids, modifies bid requirements, or finds an emergency exception under subsection 2, shall provide the reason(s) in meeting minutes.

5. During the period of declarant's control pursuant to NRS 116.31032, a contract for the management of the association shall not be awarded to any person or entity in which the declarant, entity affiliated with the declarant, or employed by the declarant, has any financial or control interest.

6. As used in this section, "association project" includes, without limitation, the allocation of association funds for the maintenance, repair, replacement or restoration of any part of the common elements, for common expenses, or which involves the provision of professional services to the association, including, without limitation, accounting, engineering and legal services, that have not been be subject to bid solicitation provisions of this section in the past thirty-six (36) months.

7. As used in this section, a bid is considered "responsive" if it indicates compliance without material deviation from the requirements of the solicitation and terms and conditions of the proposed project.

8. As used in this section an "emergency" exists when it is determined soliciting bids would delay the commencement of the association project exacerbating property damage or pose an otherwise avoidable risk of injury.

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