



STATE OF NEVADA
DEPARTMENT OF TAXATION

Web Site: <https://tax.nv.gov>

1550 College Parkway, Suite 115
Carson City, Nevada 89706-7937
Phone: (775) 684-2000 Fax: (775) 684-2020

RENO OFFICE
4600 Kietzke Lane
Building L, Suite 235
Reno, Nevada 89502
Phone: (775) 687-9999
Fax: (775) 688-1303

BRIAN SANDOVAL
Governor
JAMES DEVOLLD
Chair, Nevada Tax Commission
WILLIAM D. ANDERSON
Executive Director

LAS VEGAS OFFICE
Grant Sawyer Office Building, Suite 1300
555 E. Washington Avenue
Las Vegas, Nevada 89101
Phone: (702) 486-2300 Fax: (702) 486-2373

HENDERSON OFFICE
2550 Paseo Verde Parkway, Suite 180
Henderson, Nevada 89074
Phone: (702) 486-2300
Fax: (702) 486-3377

Posted: OCTOBER 30TH, 2018

NOTICE OF PUBLIC HEARING
FOR THE ADOPTION OF PERMANENT REGULATION OF
THE NEVADA TAX COMMISSION

The Nevada Tax Commission (Tax Commission) will hold a public hearing on December 3rd, 2018 commencing at 9:00 a.m. at the Nevada Department of Health and Human Services, 4150 Technology Way, Room 303, Carson City with video-conferencing to the Nevada Department of Health Care Financing and Policy, 1210 S. Valley View Blvd, Ste. 104, Las Vegas, Nevada. The Tax Commission will receive testimony from all interested persons and consider and take action on proposed adoption of amendments, additions and deletions to the Nevada Administrative Code as identified in **R-20-17 Continuing Education hours**.

The following information is provided pursuant to the requirements of NRS 233B.0603:

1. The Need for and Purpose of the Proposed Regulations.

The need and purpose of the proposed regulation regarding Continuing Education requirements is to provide clarity on the number of hours required to obtain and maintain licensure to appraise property for taxation purposes.

Terms or Substance of the Proposed Regulation or Description of the Subjects and Issues Involved.

Section 1 amends NAC 361.565 to revise existing regulations governing the approval of courses of training by the Department to specifically provide for the approval of courses providing instruction in certain subject matters.

Section 2 amends NAC 361.567 to clarify that hours are awarded primarily on the basis of the number of hours listed on the certificate of completion of a class; or if the certificate fails to list the hours, on the basis of other documentation required to be submitted. Credit hours that are awarded by the Department are final, even though in subsequent years the course length or content might change. The Department may grant credit for coursework earned that is older than 5 years if applied to the first 180 hours earned; thereafter, the coursework earned must be no older than 3 years. Certification is subject to suspension or revocation if continuing education requirements are not met within a 3 year period.

2. Estimated Economic Effect of the Proposed Regulation on the Business which it is to Regulate, and the Public.

A. Adverse and Beneficial Effects.

The proposed regulation presents no reasonably foreseeable or anticipated adverse economic effects to businesses or to the general public. The regulation does not impose a direct and significant economic burden upon a small business or restrict the formation, operation or expansion of a small business.

B. Immediate and Long-Term Effects.

The immediate and long-term effects will be to simplify and clarify the requirements for education to obtain and maintain licensure.

3. The Methods Used by the Agency in Determining the Impact on a Small Business.

The Department mailed or emailed a Small Business Impact Statement and Questionnaire on October 13, 2016 when this was proposed as a temporary regulation, no responses were received. Out of an abundance of caution an additional questionnaire was sent on October 30, 2018 to persons and businesses on the Department's interested parties list regarding this permanent regulation. Because of the nature of the regulation, the Department believes there is minimal to no impact on a small business.

4. Estimated Cost to Agency for Enforcement of the Proposed Regulation.

The estimated cost of enforcement related to administration of the program to the Department of Taxation is minimal.

5. Regulations of Other State or Local Governmental Agencies which the Proposed Regulation Overlaps or Duplicates and the Necessity Therefore.

The proposed regulation does not overlap or duplicate regulations of other state or local governmental agencies.

6. Establishment of New Fee or Existing Fee Increase.

None

7. Regulation required by Federal law.

Not applicable

8. More stringent than federal regulation

The Department is not aware of any similar federal regulations of the same activity in which the state regulations are more stringent.

9. How to obtain the approved or revised text of regulations:

You may obtain a copy of the proposed regulation by writing to the Nevada Department of Taxation, Division of Local Government Services, 1550 College Parkway, Carson City, Nevada 89706; or by calling the office at (775) 684-2100. The proposed regulation is also available for review and download on the Department of Taxation website: http://tax.nv.gov/Boards/Public_Meetings/

Persons wishing to comment on the proposed action of the Nevada Tax Commission may appear at the above scheduled public hearing or may address their comments, data, views, or arguments, in written form, to the Department of Taxation, 1550 College Parkway, Suite 115, Carson City, Nevada 89706. **Written submissions must be received at least two weeks prior to the above scheduled public hearing.**

A copy of this notice and the proposed regulations to be adopted and amended will be on file at the Nevada State Library, 100 Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the proposed regulations to be adopted and amended will be available at the Department of Taxation, at the addresses listed below and on the Department of Taxation website, <http://tax.nv.gov/> and in all counties in which an office of the Department of Taxation is not maintained, at the main public library, for inspection and copying by members of the public during business hours. The text of the proposed regulations will include the entire text of any section of the Nevada Administrative Code, which is proposed for amendment or repeal. Copies will be mailed to members of the public upon request. A reasonable fee may be charged for copies if deemed necessary.

Under NRS 233B.064(2), when adopting any regulation, the Agency, if requested to do so by an interested person, either prior to adoption or within 30 days thereafter, shall issue a concise statement of the principal reasons for and against its adoption and incorporation, and its reason for overruling the consideration urged against its adoption.

By Jeff Mitchell, Deputy Executive Director
Department of Taxation
October 30, 2018

Note 1: We are pleased to make reasonable accommodations for members of the public who are disabled and wish to attend the meeting. If special arrangements for the meeting are necessary, please notify the Department of Taxation in writing, at 1550 College Parkway, Carson City Nevada, 89706 or call (775) 684-2180 prior to the meeting.

Note 2: Materials and files for items on this notice are maintained in the offices of the Department of Taxation located in Carson City, Nevada. Requests for copies of materials and files for items on this notice may be made to:

Heather Drake, Deputy Executive Director, Department of Taxation, 1550 College Parkway, Suite 115, Carson City, NV 89706

Note 3: Notice of this meeting was posted in the following Carson City, Nevada locations: Department of Taxation, 1550 College Parkway, Legislative Building, 401 South Carson Street; and Nevada State Library, 100 Stewart Street. Notice of this meeting was emailed for posting to the following locations: Department of Taxation, 4600 Kietzke Lane, Building L, Suite 235, Reno; Department of Taxation, 2550 Paseo Verde, Suite 180, Henderson; Department of Taxation, 555 E. Washington Street; Las Vegas; Clark County Office, 500 South Grand Central Parkway, Las Vegas. Notice of this meeting was posted on the Internet through the Department of Taxation website <http://tax.nv.gov/> and on the Internet website maintained by the Legislative Counsel Bureau <http://leg.state.nv.us/> and the Department of Administration website <https://notice.nv.gov/>.

**PROPOSED REGULATION OF THE
NEVADA TAX COMMISSION**

Agency Revised of LCB File No. R020-17

October 29, 2018

EXPLANATION – Matter in *italics* is new; matter in brackets ~~[omitted material]~~ is material to be omitted.

AUTHORITY: §§1 and 2, NRS 360.090 and 361.223.

A REGULATION relating to property taxes; revising provisions governing the continuing education required to be completed by appraisers certified by the Department of Taxation to conduct appraisals of property for the purposes of taxation; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires certain persons who appraise property for taxation purposes to hold an appraiser's certificate issued by the Department of Taxation. (NRS 361.221) Each person who holds such an appraiser's certificate must complete 36 contact hours of appropriate training approved by the Department each fiscal year or, if the person attains a recognized professional designation or accumulates 180 contact hours of accepted training, must complete 36 contact hours every 3 years. (NRS 361.223)

Section 1 of this regulation revises existing regulations governing the approval of courses of training by the Department to specifically provide for the approval of courses providing instruction in certain subject matters.

Section 2 of this regulation revises existing regulations governing the award of contact hours for the completion of education courses approved by the Department. Specifically, **section 2** provides that: (1) the number of contact hours awarded by the Department may be the number of hours noted on the certificate of completion or other written documentation provided to the person completing the course; (2) the Department will not award contact hours for any portion of a course during which the person taking the course takes an examination for the course; and (3) the number of contact hours awarded by the Department for the completion of a course will be based on the number of hours determined to be appropriate by the Department as of the date on which the course is completed, regardless of whether the content or length of the course changes after that date. **Section 2** also removes a provision of existing regulations that authorizes the Department to award contact hours to a person if at least 3 years has elapsed since the person attended the course and instead: (1) authorizes the Department to award contact hours to a person who completed a course more than 5 years before the person provides documentation of the course to the Department if the contact hours are applied to the first 180 contact hours of accepted training required for that person; and (2) provides that the Department will not award

contact hours to a person who has accumulated at least 180 contact hours unless the person completed the course for which contact hours are awarded not later than 3 years before the person provides documentation of the course to the Department. Finally, **section 2** revises existing regulations to refer to the requirement of existing law for the completion of 36 contact hours every 3 years by a person who has attained a recognized professional designation or accumulated 180 contact hours of accepted training.

Section 1. NAC 361.565 is hereby amended to read as follows:

361.565 1. The Board will review courses of continuing education and may recommend the approval of such a course by the Department if the Board determines that:

(a) After evaluating the contents of the course for correctness, applicability to appraisal for property tax purposes and relevance to current issues and trends concerning appraisal, the subject matter of the course is relevant to understanding and applying the standards established by the International Association of Assessing Officers or any other member organization of ~~the~~*The* Appraisal Foundation;

(b) The subject matter of the course is relevant to understanding:

- (1) The application of the statutes and regulations of this State;
- (2) The published appraisal and assessment standards of the Department;
- (3) Laws relating to real estate, water and mining; or
- (4) Administrative procedures;

(c) The subject matter of the course is relevant to understanding the concepts and applications of mass appraisal, including, without limitation, the application of technology such as geographic information systems (GIS) mapping and computer automated mass appraisal systems ~~;~~*and the use of applied statistics in mass appraisal;* or

(d) The subject matter of the course is relevant to understanding the concepts and applications of the appraisal of centrally assessed properties, including, without limitation,

principles of accounting , *allocation, apportionment, mining, unitary valuation, economics* and finance.

2. A person who wishes to receive contact hours for a course of continuing education that has not been approved by the Department must apply to the Department for such approval before taking the course. The application must be in writing and include, without limitation, the name and address of the organization that is sponsoring the course, a list of the instructors of the course and their qualifications, and a syllabus of the course that indicates the coursework and the books to be used in the course.

3. The Department will provide a list of all approved educational courses to the assessor of each county, and may provide the list to any other person who requests it in writing. The Department will update the list at least every 3 years.

Sec. 2. NAC 361.567 is hereby amended to read as follows:

361.567 1. The Department, in consultation with the Board, will determine the appropriate number of contact hours to be awarded for each approved education course. The Department will award the appropriate number of contact hours to persons who complete approved education courses and provide documentation to the Department as required by subsection ~~[2. Unless~~

~~otherwise noted on the certificate of completion for an approved course of education, contact]~~3.

Contact hours may be awarded as follows:

(a) ~~[If a person completes an approved education course that consists of 4 days of instruction or less, the]~~ *The* Department may award the person ~~[8]~~ *the number of* contact hours ~~[for each day of the course.]~~ *noted on the certificate of completion for the approved education course or on any other documentation of the approved education course provided by the person to the Department as required by subsection 3.*

~~(b) If a person completes an approved education course that consists of 4 days of instruction and an examination on the fifth day, the Department may award the person 36 contact hours.~~

~~- (c) If a person completes an approved education course that consists of 5 days of instruction the first week and 4 1/2 days of instruction the second week, the Department may award the person 76 contact hours.~~

- ~~(d)~~ If a person completes an approved education course offered by a university or community college, the Department may award the person 12 contact hours for each semester credit earned.

~~(e)~~(c) If an approved education course includes an examination for the course and a person completes the instruction for the course but fails to pass the examination, the Department may award the person one-half of the contact hours that the person would have been awarded had he or she passed the examination. If the person did not complete the instruction for the course, the Department may award the person 4 contact hours for each full day of instruction that he or she completed if the person provides evidence satisfactory to the Department of his or her attendance at the course. If a person who is awarded contact hours pursuant to this paragraph subsequently passes the examination for the course, the Department may award the person a number of contact hours equal to the total contact hours approved for the course minus contact hours previously awarded to the person for the course pursuant to this paragraph.

~~(f)~~(d) The Department will not award any contact hours for the completion of any portion of a course in real estate or the appraisal of property if the primary objective of the course is to prepare those persons taking the course to take and pass an examination for licensure in real estate or the appraisal of property.

~~[(g)]~~(e) The Department will not award any contact hours for any portion of a course at a university or community college if the person taking the course does not earn a passing grade or withdraws from the course.

~~[(h)]~~(f) ~~The Department will not award any contact hours for any portion of a course during which the person taking the course takes an examination for the course.~~ *When the Department determines the contact hours to be awarded for a particular course, the time period allocated to the taking of the exam shall be excluded from the total contact hours awarded.*

(g) If a person instructs an approved education course, the Department may award the person a number of contact hours equal to the number of hours the person spent lecturing during the course or teaching as part of a group. The Department will not award contact hours:

(1) For any time the person spent on preparing for the course, grading students, or assisting students on projects or assignments outside of class; or

(2) For teaching the same course more than once in a 12-month period.

2. *The number of contact hours awarded to a person who completes an approved education course must be the number of hours determined to be appropriate pursuant to subsection 1 as of the date on which the person completes the course, regardless of whether the content or length of the course changes after that date.*

3. A person who holds an appraiser's certificate and for whom the annual training requirement has not been waived pursuant to NRS 361.223 shall, on or before July 1 of each year, provide written documentation to the Department of each approved education course the person has taken, and the total contact hours he or she has earned, since July 1 of the previous year. The documentation for each course must include, without limitation, a certificate of

attendance that shows the name of the person, the name of the course, the signature of the course, and the dates of the person's attendance at the course. A transcript of grades, if any, from the organization that sponsored the course must also be submitted. If the course was taken at a university or community college, a certified transcript may be submitted in lieu of a certificate of attendance.

~~{3. The}~~

4. If a person has:

(a) Not completed the 180 contact hours of accepted training described in paragraph (b) of subsection 3 of NRS 361.223, the Department, in consultation with the Board, may ~~consider granting a~~ *award contact hours to the* person ~~[full credit towards the annual training requirement of 36 contact hours set forth in NRS 361.223]~~ for *an* approved education ~~[courses previously taken if:~~

- ~~(a) The person makes a request to the Department for such credit;~~
- ~~(b) At least 3 years have elapsed since the person last attended the course;~~
- ~~(c) The person has not previously received contact hours for the course; and~~
- ~~(d) No other training is available to enable the person to comply with the annual training requirement of 36 contact hours.~~
- *4.] course completed more than 5 years before the person provides to the Department the written documentation required by subsection 3. Any contact hours awarded pursuant to this paragraph must be applied to the 180 contact hours described in paragraph (b) of subsection 3 of NRS 361.223.*

(b) Completed the 180 contact hours of accepted training described in paragraph (b) of subsection 3 of NRS 361.223,

(1) the Department will not award any contact hours for any course completed by the person more than 3 years before he or she provides to the Department the written documentation required by subsection 3.

(2) the Department will not award any contact hours to an appraiser for any course completed within a three year annual training cycle that was previously awarded contact hours in the immediately preceding three year annual training cycle; unless the Department, in conjunction with the Appraiser Certification Board, deems that the course materials have been significantly changed or updated.

5. To qualify for a waiver of the annual training requirement pursuant to paragraph (b) of subsection ~~(2)~~3 of NRS 361.223, a person who holds an appraiser's certificate must complete as part of the 180 contact hours of accepted training required by that paragraph at least 4 hours of training in ethical and professional standards.

~~(5.)~~6. If a person for whom the annual training requirement has been waived pursuant to NRS 361.223 accumulates more than 36 contact hours during any ~~(5-year)~~3-year period thereafter, the excess contact hours will not be carried forward.

~~(6.)~~7. The Department will notify each person who holds an appraiser's certificate and who has not satisfied the continuing education requirements for a fiscal year or a ~~(5-year)~~3-year period, as applicable, that the appraiser's certificate is subject to suspension or revocation pursuant to NRS 361.224. The notice will be sent by United States mail at least 60 days before the end of the fiscal year or ~~(5-year)~~3-year period to the address of the person as listed in the files of the Department. If the Department does not receive a response to the notice within 30 days after mailing, the Department will forward the matter to the Board for consideration at its next regularly scheduled meeting. The Board will review the matter and provide its recommendation to the Department concerning whether the appraiser's certificate should be suspended or revoked.