PROPOSED REGULATION OF THE DIVISION OF

STATE LANDS OF THE STATE DEPARTMENT

OF CONSERVATION AND NATURAL RESOURCES

LCB File No. R231-05

February 17, 2006

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

AUTHORITY: §§1-7, NRS 321.007.

A REGULATION relating to state lands; establishing procedures relating to the list of appraisers qualified to perform an appraisal of land offered for sale or lease by the State Land Registrar; and providing other matters properly relating thereto.

- **Section 1.** Chapter 321 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 7, inclusive, of this regulation.
- Sec. 2. As used in sections 2 to 7, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 3 and 4 of this regulation have the meanings ascribed to them in those sections.
- Sec. 3. "Division" means the Division of State Lands of the Department of Conservation and Natural Resources.
- Sec. 4. "List of appraisers" means the list of appraisers established and maintained by the Division pursuant to section 5 of this regulation.
- Sec. 5. 1. The Division will establish and maintain a list of appraisers who are qualified and willing to perform appraisals of land offered for sale or lease by the State Land Registrar.
- 2. At least once every 3 years, the Division will solicit applications from appraisers for inclusion on the list of appraisers. As part of the solicitation, the Division will notify each

appraiser that failure to respond to three successive requests for bids made pursuant to section 7 of this regulation may result in removal of the appraiser from the list.

- 3. An appraiser who applies to be included on the list of appraisers must submit to the Division an application setting forth:
- (a) A statement that the appraiser is willing to perform appraisals of land offered for sale or lease by the State Land Registrar;
 - (b) The counties in which the appraiser is willing to perform such appraisals;
 - (c) The types of appraisals the appraiser is qualified and willing to perform;
 - (d) A sample of a self-contained appraisal report prepared by the appraiser;
 - (e) The resume of the appraiser, including, without limitation:
 - (1) The educational accomplishments of the appraiser;
 - (2) A list of professional courses the appraiser has taken;
 - (3) The appraiser's professional experience or length of time in practice; and
 - (4) A list of clients for whom the appraiser has recently performed an appraisal;
- (f) Proof that the appraiser holds a valid certificate as a general appraiser issued pursuant to chapter 645C of NRS; and
- (g) If applicable, evidence of the membership of the appraiser in a professional organization for appraisers.
 - 4. The State Land Registrar:
- (a) Shall review the applications submitted pursuant to subsection 3 and make the final determination as to which appraisers are to be included on the list of appraisers.
- (b) Shall not include on the list of appraisers any appraiser who does not hold a valid certificate as a general appraiser issued pursuant to chapter 645C of NRS.

- 5. The State Land Registrar may remove an appraiser from the list of appraisers if:
- (a) The appraiser submits to the Division a written request to be removed from the list of appraisers;
- (b) The appraiser ceases to hold a valid certificate as a general appraiser issued pursuant to chapter 645C of NRS;
- (c) The appraiser fails to respond to three successive requests for bids made pursuant to section 7 of this regulation; or
- (d) The State Land Registrar determines that the appraiser has failed to perform in a satisfactory manner.
- 6. If an appraiser is removed from the list of appraisers pursuant to paragraph (c) of subsection 5, the appraiser may, not sooner than 6 months after the date of his removal, submit a new application to the Division pursuant to subsection 3 for inclusion on the list.
 - **Sec. 6.** 1. The Division will include on the list of appraisers:
- (a) The name of each appraiser selected by the State Land Registrar to be included on the list;
- (b) The county or counties in which each appraiser on the list is qualified and willing to perform an appraisal; and
 - (c) The types of appraisals each appraiser on the list is qualified and willing to perform.
 - 2. The Division will organize the list of appraisers:
 - (a) By county; and
 - (b) By type of appraisal that each appraiser on the list is qualified and willing to perform.
 - 3. The Division will organize the list of appraisers for each county:
 - (a) By using a random number table; and

- (b) By rotating the names on the list using a random number table whenever an appraiser is:
- (1) Selected from the list to perform an appraisal pursuant to section 7 of this regulation; or
 - (2) Added to the list for that county.
- 4. As used in this section, a number table is "random" if it provides a process which ensures that each appraiser on the list of appraisers has an equal chance of receiving a request for a bid from the State Land Registrar to perform an appraisal which the appraiser is qualified to perform.
- Sec. 7. 1. If the Division is required to select an appraiser to perform an appraisal of land offered for sale or lease by the State Land Registrar, the Division will request bids to perform the appraisal from at least the first five appraisers to appear in the appropriate portion of the list of appraisers. If fewer than five appraisers appear in the appropriate portion of the list, the Division will request bids to perform the appraisal from all appraisers who appear in the appropriate portion of the list.
 - 2. The request for bids must include, without limitation:
 - (a) A request for:
 - (1) The estimated cost to complete the appraisal;
 - (2) The estimated time to complete the appraisal; and
- (3) Verification of the qualifications of the appraiser to perform the appraisal, which may include an updated resume and appraisal sample.
- (b) A notice that when the appraiser submits a bid, the appraiser must provide to the Division a statement disclosing:

- (1) All sources of income of the appraiser that may constitute a conflict of interest if the appraiser performs the appraisal which is the subject of the request for a bid; and
 - (2) Any relationship of the appraiser with:
 - (I) The owner of the land that is the subject of the appraisal; or
 - (II) The owner of a property adjoining the land that is the subject of the appraisal.
- (c) A notice that an appraiser shall not perform an appraisal on any land offered for sale or lease by the State Land Registrar if the appraiser or a person related to the appraiser within the first degree of consanguinity or affinity has an interest in the land or an adjoining property.
- 3. The selection of an appraiser to perform an appraisal must be based on criteria to include, without limitation:
- (a) The response of the appraiser to the request for information described in paragraph (a) of subsection 2;
- (b) The past history of the appraiser in completing appraisal assignments for the State in a timely manner in accordance with agency requirements;
- (c) The appraiser's estimated cost to perform the appraisal as compared with the assignment and other bids submitted; and
- (d) The appraiser's estimated time to complete the appraisal as compared with other bids submitted and the requirements of the Division for completion of the assignment.
- 4. If, after following the procedures set forth in subsections 1, 2 and 3, the Division has been unable to receive two appraisals, the Division will continue to request bids in accordance with those subsections until two appraisals are obtained.