REAL ESTATE COMMISSION

NEVADA REVISED STATUTES (NRS) 645.050

CHAPTER 645 ("REAL ESTATE BROKERS AND SALESPERSONS") OF NRS

Background

• 1947—<u>Assembly Bill 100</u> (Chapter 150, *Statutes of Nevada*) created the Nevada State Real Estate Board consisting of five members: four appointed by the governor, and the state controller, serving as an ex officio member and president. The bill required members to have been practicing real estate brokers in Nevada during the three years immediately preceding their appointments, set three-year term limits, and outlined the Board's meeting locations and schedule.

The bill organized Nevada into two districts:

- o Northern Nevada—which consisted of Churchill, Douglas, Elko, Eureka, Humboldt, Lander, Lyon, Pershing, Storey, and Washoe counties, and what is now considered Carson City; and
- o Southern Nevada—which contained Clark, Esmeralda, Lincoln, Mineral, Nye and White Pine counties.

The bill required two Board members to be appointed from each district, and meetings were to be held four times per year, twice in each district. Effective June 1, 1947, all real estate brokers and salespeople were required to obtain licensure from the Nevada State Real Estate Board. Among other duties, the Board was responsible for: oversight and issuance of bonds and licenses, administration of exams, collection of fees, enforcement of complaints, and enacting regulations.

- 1949—Senate Bill 166 (Chapter 204, Statutes of Nevada) changed the name of the Board to the Nevada Real Estate Commission, and it added both a citizenship requirement and a minimum five-year active residency requirement for Commission members. Carson City was selected as the Commission's principal office, and meeting requirements were reduced to twice annually, once in each district. The bill created the Nevada Real Estate Commission Fund, which allowed the Commission to offer per diem compensation to members and to use up to \$5,000 annually to employ an executive secretary. The bill also amended the Commission's fee schedule and provided an amnesty for as-yet unlicensed real estate brokers and salespeople, provided they applied for licensure prior to June 1, 1949.
- 1955—<u>Assembly Bill 56</u> (Chapter 91, *Statutes of Nevada*) specified that members were eligible for reappointment to the Commission, but they were not eligible to serve more than six consecutive years in office unless more than three years had passed since the member's previous appointment. In cases where a member had previously served and was reappointed to fill a vacancy on the Commission, the bill specified that the member's previous length of appointment would only count toward his or her length of service if it was for a period longer than 18 months. This bill also increased the amount of the executive secretary's maximum annual salary to \$7,500.
- 1963—Senate Bill 102 (Chapter 339, Statutes of Nevada) created the Real Estate Division within the Department of Commerce in the Executive Branch, and changed the name of the Commission to the Nevada Real Estate Advisory Commission. The bill specified that the governor would appoint the director of the Department of Commerce, who would in turn appoint a real estate administrator to lead the Division with the governor's consent. Further, the bill transferred the duties and powers of the Commission to the Real Estate Division with the Commission serving in an advisory capacity.



Among its duties, the Commission was responsible for: promulgating rules and regulations; developing, approving, or disapproving licensure applications; and conducting hearings. Members were appointed by the governor upon consideration of a list of candidates provided by the Nevada Association of Realtors, and the structure of the board changed to a president, vice president, and secretary. The bill also created the Real Estate Division Fund in the state treasury for the collection of fees, and it specified that funds in this account would not revert to the State General Fund.

- 1973—Senate Bill 626 (Chapter 627, Statutes of Nevada) broadened the definition of real estate to include condominiums, modular homes, and planned unit developments, and it allowed out-of-state realtors to conduct business in Nevada through the appointment of a registered agent. The bill allowed the Commission to delegate any of its authority to the real estate administrator, including the authority to promulgate rules and regulations with the Commission's approval. Fees collected from examinations were redirected to the Real Estate Division first for the purposes of facilitating exams, with the excess funds reverting to the state treasury. The bill also removed the citizenship requirement and established minimum ages of 18 and 21 for salespeople and brokers respectively, and clarified other professional expectations.
- 1979—Senate Bill 443 (Chapter 663, Statutes of Nevada) expanded the grounds for disciplinary action and required the Commission to adopt regulations to establish business, ethical, and operating standards for licensees. The bill transferred the responsibility for approval and disapproval of license applications to the Real Estate Division, with the Commission hearing appeals of denied applicants.
- 1981—<u>Senate Bill 193</u> (Chapter 673, *Statutes of Nevada*) changed the name of the Commission to the Real Estate Commission and set elections of officers to the first annual meeting of the following year. The bill removed the Commission's authority to approve licenses, and it removed the requirement of the governor to consider a list of individuals recommended by the Nevada Association of Realtors when making appointments to the Commission. Additionally, the bill allowed the Commission to take action against a real estate broker for failure to adequately supervise a salesperson or broker-salesperson who violates the provisions of Chapter 645.
- 2015—<u>Assembly Bill 410</u> (Chapter 460, *Statutes of Nevada*), eliminated the two districts to create a representation by population commission structure, and it required the governor's appointments to the Commission to follow this same structure. The bill specified that three members were to reside or have a principal place of business in Clark County, one member in Washoe County, and one member from any other county in Nevada. The proportional representation of the Commission will be revisited at every legislative session following the decennial census and adjusted based on new population data.

Reviewed by the Sunset Subcommittee of the Legislative Commission

The Real Estate Commission has never been reviewed by the Sunset Subcommittee of the Legislative Commission.

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