

**ADOPTED REGULATION OF
THE REAL ESTATE COMMISSION**

LCB File No. R050-03

Effective October 30, 2003

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

AUTHORITY: §1, NRS 645.6052.

Section 1. NAC 645.800 is hereby amended to read as follows:

645.800 1. Except as otherwise provided in subsection 2, a person who wishes to obtain a permit to engage in property management must submit to the Division:

- (a) A completed application on a form prescribed by the Division;
- (b) A fee of \$40; and
- (c) A certificate of completion, in a form that is satisfactory to the Division, that indicates his successful completion of the 24 classroom hours of instruction in property management required by paragraph (a) of subsection 2 of NRS 645.6052.

2. If the license of the person as a real estate broker, real estate broker-salesman or real estate salesman expires less than a year before the date he applies for the initial issuance of a permit, the fee for ~~the~~ *the* permit is \$20.

3. The 24 classroom hours of instruction in property management required pursuant to paragraph (a) of subsection 2 of NRS 645.6052 must include, without limitation:

- (a) Four hours of instruction relating to:
 - (1) Contracts for management services;
 - (2) Leases of real property;

- (3) Applications to rent real property; and
- (4) The Fair Credit Reporting Act, 15 U.S.C. §§ 1681 et seq.;
- (b) Two hours of instruction relating to the maintenance of records of money deposited in trust accounts and the requirements for reporting to the Division set forth in chapter 645 of NRS;
- (c) One hour of instruction relating to the use of a computerized system for bookkeeping;
- (d) Two hours of instruction relating to the laws of this state governing property management;
- (e) Two hours of instruction relating to the disclosure of required information in real estate transactions, including, without limitation:
 - (1) Disclosures required pursuant to NRS 645.252; and
 - (2) Disclosures related to environmental issues as governed by state and federal law;
- (f) Five hours of instruction relating to:
 - (1) The Americans with Disabilities Act of 1990, 42 U.S.C. §§ 12101 et seq.;
 - (2) The Residential Landlord and Tenant Act as set forth in chapter 118A of NRS;
 - (3) The Nevada Fair Housing Law as set forth in chapter 118 of NRS; and
 - (4) State and federal law governing unlawful discrimination based on sex, including, without limitation, sexual harassment;
- (g) Three hours of instruction relating to property management for a common-interest community as set forth in chapter 116 of NRS;
- (h) One hour of instruction relating to the duties and responsibilities of a real estate broker, including the supervision of employees and real estate salesmen and real estate broker-salesmen associated with the real estate broker;
- (i) Two hours of instruction relating to risk management, including, without limitation:

- (1) ~~[Maintenance]~~ *The maintenance* of real property;
- (2) ~~[Health]~~ *The health* and safety of a tenant;
- (3) Fire insurance;
- (4) Rental insurance; and
- (5) Disability insurance; and
- (j) Two hours relating to the management of commercial property.

4. The Division will not accept a course consisting of 45 hours of classroom instruction in property management that is offered to a real estate salesman to obtain a license as a real estate broker-salesman or a license as a real estate broker to fulfill any part of the 24 classroom hours of instruction required by paragraph (a) of subsection 2 of NRS 645.6052 unless the certificate of completion of the course indicates that the course has been approved by the Commission to fulfill all or part of the 24 classroom hours of instruction required by paragraph (a) of subsection 2 of NRS 645.6052.

5. The Division may accept a course in property management from a nationally recognized or accredited organization to fulfill the requirements set forth in paragraphs (a), (b), (c), (h), (i) and (j) of subsection 3, if the successful completion of that course would qualify the applicant to engage in property management pursuant to the requirements of that organization.

6. The applicant must complete the hours of instruction set forth in paragraphs (d), (e), (f) and (g) of subsection 3 at an accredited educational institution in this state.

7. A permit to engage in property management initially issued by the Division is effective on the date the application for the permit is submitted to the Division or the date on which the fee for the permit is paid, whichever occurs later.

8. As used in this section and paragraph (a) of subsection 2 of NRS 645.6052, the Commission will interpret the term “successfully completed” or “successful completion” to include, without limitation, passing an examination *which is prepared and administered by an organization designated by the Division*, with a score of at least 75 percent that:

(a) Includes the subject matter presented in the hours of instruction required pursuant to subsection 3; and

(b) Consists of at least 50 multiple-choice questions.

↪ *The fee for the examination is \$75.*

**NOTICE OF ADOPTION OF PROPOSED REGULATION
LCB File No. R050-03**

The DEPARTMENT OF BUSINESS & INDUSTRY, REAL ESTATE DIVISION, REAL ESTATE COMMISSION, adopted temporary regulations assigned LCB File No. R050-03, which pertain to Chapter 645 of the Nevada Administrative Code on SEPTEMBER 10, 2003.

Notice date: 8/8/2003
Hearing date: 9/10/2003

Date of adoption by agency: 9/10/2003
Filing date: 10/30/2003

INFORMATIONAL STATEMENT

- 1. A description of how public comment was solicited, a summary of public response, and an explanation how other interested persons may obtain a copy of the summary.**

Notice of the proposed regulations were posted on the Real Estate Division website and in various other public locations where both the public and other interested persons would have access to that information. We also conducted a workshop on September 2, 2003, which was video-linked between our Carson City office and our Las Vegas office. We did not receive any public comment at the workshop, hearing or in writing.

- 2. The number of persons who:**

Attended workshop:	0
Attended hearing:	0
Submitted written comments:	0

- 3. A description of how comment was solicited from affected businesses, a summary of their response, and an explanation how other interested persons may obtain a copy of the summary.**

Affected businesses were able to comment in the public workshop or in writing and there were no comments made by either method.

- 4. If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.**

There were no changes made to the regulation since there were no requests made for changes.

- 5. The estimated economic effect of the adopted regulation on the business which it is to regulate and on the public. These must be stated separately, and each case must include:**

Business which it is to regulate:

(1) Both adverse and beneficial effects: and

The businesses/regulated licensees will have a slightly higher fee to pay for taking examinations for property management permits. They will benefit by having more flexibility in scheduling the exam and by being able to take the exams in a more timely fashion.

(2) Both immediate and long-term effects.

The immediate and long-term effect is that the individuals wishing to take a property management exam will now have more flexibility and convenience when taking the exam to become a property manager.

Public:

(1) Both adverse and beneficial effects: and

There are no known effects to the public by the adoption of this regulation.

(2) Both immediate and long-term effects:

There are no known effects to the public by the adoption of this regulation.

6. The estimated cost to the agency for enforcement of the adopted regulation.

Cost of handbook production. Cost of educating the public regarding the effect of the regulation. Cost of regulation review.

7. A description of any regulations of other state or government agencies which the proposed regulation overlaps or duplicates and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.

There is no other state, federal or other governmental agency=s regulations which the proposed regulations duplicate or overlap.

8. If the regulation includes provisions, which are more stringent than a federal regulation which regulates the same activity, a summary of such provisions.

N/A

9. If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.

The new fee provided in this regulation would go to the general fund, as all fees charged for examination do in chapter 645 of NRS and NAC, so the agency would not actually have the money for its use unless it were allocated from the general fund.

**SUMMARY OF COMMENTS
LCB FILE NO. R050-03**

**REGULATION WORKSHOP
TUESDAY, SEPTEMBER 2, 2003 @ 1:00 P.M.**

Workshop locations:

Bradley Building, 2501 E. Sahara Avenue, 2nd Floor Conference Room, Las Vegas, NV 89104
with a video-link to:

Department of Business & Industry, 788 Fairview Drive, Hearing Room, Carson City, NV
89701

Real Estate Division staff present:

Las Vegas location: Matt DiOrio, Pam Riebe, Tami DeVries and Gail Anderson

Carson City location: Charles Henry

Members of the Real Estate Commission present:

Carson City location: Joseph Mayer

Matt DiOrio explained the procedure that would be followed to receive comments in the workshop. He explained that deletions are noted in brackets with strikethrough and new material is indicated in bold italic print.

Matt read the changes into the record.

Gail Anderson, Administrator, stated that this regulation is to make permanent the temporary regulation which was effective beginning February 10, 2003.

Commissioner Mayer confirmed that the date and time of the public hearing on this matter was September 10, 2003 @ 8:30 a.m.

There were no members of the public present at either location.

Tami DeVries stated that she had not received any written comments to date and that the deadline for such comments had past as of August 29, 2003.

Mr. DiOrio adjourned the workshop at 1:16 p.m.