

**REVISED PROPOSED REGULATION OF THE
COMMISSION OF APPRAISERS OF REAL ESTATE**

LCB File No. R158-05

February 27, 2006

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

AUTHORITY: §§1-3, 5, 7, 9, 10, 14, 16, 20-22 and 24, NRS 645C.210; §§4 and 11-13, NRS 645C.210 and 645C.330; §6, NRS 645C.210 and 645C.363; §8, NRS 645C.210 and 645C.270; §§15, 17-19 and 23, NRS 645C.210 and 645C.440.

A REGULATION relating to appraisers of real estate; revising provisions relating to the standards for education and experience required to obtain a license or certificate; revising provisions relating to continuing education; revising provisions relating to interns; revising provisions relating to petitions concerning regulations; and providing other matters properly relating thereto.

Section 1. Chapter 645C of NAC is hereby amended by adding thereto the provisions set forth as sections 2, 3 and 4 of this regulation.

Sec. 2. *“USPAP or its equivalent” means the Uniform Standards of Professional Appraisal Practice adopted by reference pursuant to NAC 645C.400 or an equivalent course as determined by the Appraiser Qualifications Board of The Appraisal Foundation.*

Sec. 3. *A registered intern must attend at least 6 hours of meetings of the Commission before he may apply for a license or certificate. The Commission will certify to the attendance of the registered intern.*

Sec. 4. *The content of the following courses required pursuant to NAC 645C.235 to 645C.243, inclusive, must be as follows:*

1. For a course on basic appraisal principles:

(a) Real property concepts and characteristics, including basic real property concepts, real property characteristics and legal descriptions;

(b) Legal consideration, including forms of ownership, public and private controls, and real estate contracts and leases;

(c) Influences on real estate values, including governmental, economic, social, environmental, geographic and physical influences;

(d) Types of value, including market and other value;

(e) Economic principles, including classical economic principles and application and illustrations of economic principles;

(f) An overview of real estate markets and analysis, including market fundamentals, characteristics, definitions, supply analysis, demand analysis and use of market analysis; and

(g) Ethics and how they apply in appraisal theory and practice.

2. For a course on basic appraisal procedures:

(a) An overview of approaches to value.

(b) Valuation procedures that include:

(1) Defining the problem;

(2) Collecting and selecting data;

(3) Analyzing;

(4) Reconciling and final value opinion; and

(5) Communicating the appraisal.

(c) Property descriptions that include:

(1) Geographic characteristics of the land or site;

(2) Geological characteristics of the land or site;

- (3) Location and neighborhood characteristics;*
- (4) Land or site considerations for the highest and best use of real estate;*
- (5) Improvements by architectural styles and types of construction; and*
- (6) Residential applications.*

3. For a course on the USPAP or its equivalent:

- (a) Preamble and ethics rules;*
- (b) The first standard of the USPAP or its equivalent;*
- (c) The second standard of the USPAP or its equivalent;*
- (d) The third through tenth standards, inclusive, of the USPAP or its equivalent; and*
- (e) Statements and advisory opinions.*

4. For a course on residential market analysis and analysis of the highest and best use of real estate:

(a) Residential markets and analysis that includes:

- (1) Market fundamentals, characteristics and definitions;*
- (2) Supply analysis;*
- (3) Demand analysis; and*
- (4) Use of market analysis.*

(b) An analysis of the highest and best use of real estate that includes:

- (1) Test constraints;*
- (2) Application of the highest and best use of real estate;*
- (3) Special considerations;*
- (4) Market analysis; and*
- (5) Case studies.*

5. *For a course on valuation of a site and cost approach for a residential appraiser:*

(a) *Valuation of a site that includes:*

(1) *Methods; and*

(2) *Case studies.*

(b) *Cost approach that includes:*

(1) *Concepts and definitions;*

(2) *Replacement or reproduction cost new;*

(3) *Accrued depreciation;*

(4) *Methods of estimating accrued depreciation; and*

(5) *Case studies.*

6. *For a course on residential sales comparison and income approaches:*

(a) *Valuation principles and procedures by sales comparison approach;*

(b) *Valuation principles and procedures by income approach;*

(c) *Finance and cash equivalency;*

(d) *Financial calculator introduction;*

(e) *Identification, derivation and measurement of adjustments;*

(f) *Gross rent multipliers;*

(g) *Partial interests;*

(h) *Reconciliation; and*

(i) *Case studies and applications.*

7. *For a course on residential report writing and case studies:*

(a) *Writing and reasoning skills;*

(b) *Common writing problems;*

- (c) Form reports;*
- (d) Report options and compliance with the USPAP or its equivalent; and*
- (e) Case studies.*

8. For a course on statistics, modeling and finance:

- (a) Statistics;*
- (b) Valuation models, including automated valuation models and mass appraisal; and*
- (c) Real estate finance.*

9. For a course on advanced residential applications and case studies:

- (a) Complex property, ownership and market conditions;*
- (b) Deriving and supporting adjustments;*
- (c) Residential market analysis; and*
- (d) Advanced case studies.*

10. For a course on market analysis and the highest and best use of real estate for a residential appraiser:

(a) Real estate markets and analysis that includes:

- (1) Market fundamentals, characteristics and definitions;*
- (2) Supply analysis;*
- (3) Demand analysis; and*
- (4) Use of market analysis.*

(b) The highest and best use of real estate that includes:

- (1) Test constraints;*
- (2) Application of the highest and best use of real estate;*
- (3) Special considerations;*

(4) Market analysis; and

(5) Case studies.

11. For a course on the valuation of a site and cost approach for a general appraiser:

(a) Site valuation that includes:

(1) Methods; and

(2) Case studies.

(b) Cost approach that includes:

(1) Concepts and definitions;

(2) Replacement or reproduction cost new;

(3) Accrued depreciation;

(4) Methods of estimating accrued depreciation; and

(5) Case studies.

12. For a course on sales comparison approach for a general appraiser:

(a) Value principles;

(b) Procedures;

(c) Identification and measurement of adjustments;

(d) Reconciliation; and

(e) Case studies.

13. For a course on income approach for a general appraiser:

(a) Overview;

(b) Compound interest;

(c) Lease analysis;

(d) Income analysis;

- (e) Vacancy and collection loss;*
- (f) Estimating operating expenses and reserves;*
- (g) Reconstructed income and expense statement;*
- (h) Stabilized net operating income estimate;*
- (i) Direct capitalization;*
- (j) Discounted cash flow;*
- (k) Yield capitalization;*
- (l) Partial interests; and*
- (m) Case studies.*

14. For a course on report writing and case studies for a general appraiser:

- (a) Writing and reasoning skills;*
- (b) Common writing problems;*
- (c) Report options and compliance with the USPAP or its equivalent; and*
- (d) Case studies.*

Sec. 5. NAC 645C.005 is hereby amended to read as follows:

645C.005 As used in this chapter, unless the context otherwise requires, the words and terms defined in NAC 645C.0055 to 645C.009, inclusive, *and section 2 of this regulation* have the meanings ascribed to them in those sections.

Sec. 6. NAC 645C.1044 is hereby amended to read as follows:

645C.1044 1. The Division shall issue a permit within ~~5~~ 3 business days after receipt of an application if:

- (a) The application and accompanying documents which are submitted pursuant to NAC 645C.1042 are completed to the satisfaction of the Division;

(b) The scope of the appraisal described in the application does not exceed the limits set forth in NAC 645C.1046; and

(c) The appropriate fees have been paid.

2. If the scope of the appraisal described in the application exceeds the limits set forth in NAC 645C.1046, the Division will return the application to the applicant for correction. If the application is returned for this reason, the applicant may resubmit the application or additional applications accompanied by the applicable fee for consideration by the Division.

Sec. 7. NAC 645C.105 is hereby amended to read as follows:

645C.105 1. A licensee, ~~or~~ holder of a certificate *or registered intern* may request a change of employer, name or status by completing and submitting the appropriate form supplied by the Division and paying the required fees.

2. If a licensee, ~~or~~ holder of a certificate *or registered intern* requests such a change and pays the required fee, the receipt issued by the Division constitutes a temporary working permit pending receipt of the requested license or certificate.

Sec. 8. NAC 645C.108 is hereby amended to read as follows:

645C.108 1. A supervisory appraiser must:

(a) Have been certified as a residential appraiser or general appraiser for at least 1 year before he supervises a registered intern;

(b) Be in good standing with the Division; and

(c) Not supervise more than two registered interns at a time.

2. A supervisory appraiser shall personally inspect with a registered intern the first 50 properties assigned to the registered intern for appraisal.

3. ~~[A]~~ *Except as otherwise provided in this subsection, a* registered intern who has completed at least 50 appraisals of property to the satisfaction of his supervisory appraiser may perform an inspection of property for appraisal which is located within 50 miles of ~~[any]~~ *the principal* office of his supervisory appraiser without the personal supervision of the supervisory appraiser at the site of the property. *A supervisory appraiser may submit an application to the Administrator for permission to allow a registered intern to perform inspections of properties for appraisal which are located more than 50 miles from the principal office of his supervisory appraiser.*

Sec. 9. NAC 645C.200 is hereby amended to read as follows:

645C.200 For the purposes of NAC 645C.200 to 645C.260, inclusive, *and section 4 of this regulation*, “school” includes:

1. The University of Nevada, or any other university or college with the same or an equivalent accreditation.
2. Any professional school or college licensed by the Commission on Postsecondary Education.
3. Any professional school or college located in this State or in another state which has standards for licensure or certification approved by the Appraisal Subcommittee of the Federal Financial Institutions Examination Council, or which is licensed or accredited by a real estate appraiser’s commission, a department of education or an equivalent agency of another state.
4. A nationally recognized appraiser’s organization which is a member of The Appraisal Foundation or an organization approved by the Commission.

Sec. 10. NAC 645C.205 is hereby amended to read as follows:

645C.205 Before ~~any~~ a school offers or conducts a course of instruction designed to fulfill the educational requirements for licensure or certification under chapter 645C of NRS, the school must be approved by the Commission ~~and~~ *unless the school is an accredited college or university*. The application for approval must be made on a form prescribed by the Division. The application must include, and the Commission may consider, the following information in determining the school's eligibility for approval:

1. The name and address of the school;
2. The type of school and a description of its facilities;
3. The names of the owners of the school, including, if applicable, the name of the business organization which owns the school and the names and addresses of all directors, principals, officers and other persons having interests as owners;
4. A list of the instructors and evidence of their qualifications;
5. A list of the courses to be offered and a topical syllabus for each course;
6. The allotment of time for each subject taught;
7. A proposed schedule of courses for 1 year;
8. The titles, authors and publishers of all required textbooks;
9. A copy of an examination and the correct answer for each question; and
10. A statement of:
 - (a) The purpose of the school;
 - (b) The fees to be charged;
 - (c) The days, times and locations of classes;
 - (d) The number of quizzes and examinations;
 - (e) The grading systems, including the methods of testing and standards of grading;

- (f) The requirements for attendance; and
- (g) The location of the students' records.

Sec. 11. NAC 645C.235 is hereby amended to read as follows:

645C.235 1. ~~[In order to comply with the requirements of paragraph (a) of subsection 1 of NRS 645C.330, a]~~ A course of instruction for an applicant for a license as a residential appraiser ~~[must:~~

~~—(a) Consist]~~ :

(a) *Must consist* of at least ~~[90 hours of instruction;]~~ *the following:*

(1) *Thirty hours of instruction on basic appraisal principles;*

(2) *Thirty hours of instruction on basic appraisal procedures;*

(3) *Fifteen hours of instruction on the USPAP or its equivalent;*

(4) *Fifteen hours of instruction on residential market analysis and analysis of the highest and best use of real estate;*

(5) *Fifteen hours of instruction on valuation of a site and cost approach for a residential appraiser;*

(6) *Thirty hours of instruction on residential sales comparison and income approaches;*

(7) *Fifteen hours of instruction on residential report writing and case studies; and*

(8) *Three hours of instruction on the laws of this State governing appraisals.*

(b) *May consist of other subjects relating to appraisals.*

(c) Except as otherwise provided in subsection 2, *must* be completed within the 5 years immediately preceding the submission of an application for a license. ~~]; and~~

~~—(c) Include instruction in the following subjects :~~

~~—(1) Factors that influence the value of real estate;~~

- ~~—— (2) Legal considerations of appraisals;~~
- ~~—— (3) Types of value;~~
- ~~—— (4) Economic principles;~~
- ~~—— (5) The real estate market and its analysis;~~
- ~~—— (6) The process of valuation;~~
- ~~—— (7) Description of real estate;~~
- ~~—— (8) Analysis of the highest and best use of real estate;~~
- ~~—— (9) Mathematics and statistics related to appraisals;~~
- ~~—— (10) Analysis of value by sales comparison;~~
- ~~—— (11) Analysis of value by cost;~~
- ~~—— (12) Analysis of value by income;~~
- ~~—— (13) The valuation of a site;~~
- ~~—— (14) The valuation of partial interests;~~
- ~~—— (15) Standards and ethics relating to appraisals;~~
- ~~—— (16) The laws of this State governing appraisals;~~
- ~~—— (17) The Uniform Standards of Professional Appraisal Practice adopted by reference pursuant to NAC 645C.400; and~~
- ~~—— (18) Other subjects relating to appraisals.]~~

2. The Division may allow credit for a course of instruction set forth in subsection 1 that is completed more than 5 years before the submission of an application for a license as a residential appraiser if the course is successfully completed at an accredited college or university.

Sec. 12. NAC 645C.237 is hereby amended to read as follows:

645C.237 1. ~~In order to comply with the requirements of paragraph (a) of subsection 2 of NRS 645C.330, a~~ A course of instruction for an applicant for a certificate as a residential appraiser must:

(a) Consist of at least ~~120 hours of instruction;~~ *the following:*

- (1) Thirty hours of instruction on basic appraisal principles;*
- (2) Thirty hours of instruction on basic appraisal procedures;*
- (3) Fifteen hours of instruction on the USPAP or its equivalent;*
- (4) Fifteen hours of instruction on residential market analysis and analysis of the highest and best use of real estate;*
- (5) Fifteen hours of instruction on residential appraiser valuation of a site and cost approach;*
- (6) Thirty hours of instruction on residential sales comparison and income approaches;*
- (7) Fifteen hours of instruction on residential report writing and case studies;*
- (8) Fifteen hours of instruction on statistics, modeling and finance;*
- (9) Fifteen hours of instruction on advanced residential applications and case studies;*
- (10) Three hours of instruction on the laws of this State governing appraisals; and*
- (11) Twenty hours of instruction in elective courses relating to appraisals.*

(b) Except as otherwise provided in subsection 2, be completed within the 5 years immediately preceding the submission of an application for a certificate . ~~[- and~~

~~(c) Include instruction in the following subjects:~~

- ~~(1) Factors that influence the value of real estate;~~
- ~~(2) Legal considerations of appraisals;~~
- ~~(3) Types of value;~~

- ~~—— (4) Economic principles;~~
- ~~—— (5) The real estate market and its analysis;~~
- ~~—— (6) The process of valuation;~~
- ~~—— (7) Description of real estate;~~
- ~~—— (8) Analysis of the highest and best use of real estate;~~
- ~~—— (9) Mathematics and statistics related to appraisals;~~
- ~~—— (10) Analysis of value by sales comparison;~~
- ~~—— (11) Analysis of value by cost;~~
- ~~—— (12) Analysis of value by income;~~
- ~~—— (13) The valuation of a site;~~
- ~~—— (14) The valuation of partial interests;~~
- ~~—— (15) Standards and ethics relating to appraisals;~~
- ~~—— (16) The laws of this State governing appraisals;~~
- ~~—— (17) The Uniform Standards of Professional Appraisal Practice adopted by reference pursuant to NAC 645C.400; and~~
- ~~—— (18) Other subjects relating to appraisals.]~~

2. The Division may allow credit for a course of instruction set forth in subsection 1 that is completed more than 5 years before the submission of an application for a certificate as a residential appraiser if the course is successfully completed at an accredited college or university.

3. An applicant for a certificate as a residential appraiser must:

(a) Hold an associate degree or higher from an accredited college or university; or

(b) Have earned at least 21 semester credit hours or its equivalent in the following subjects from an accredited college or university:

- (1) *English composition;*
- (2) *Principles of micro or macro economics;*
- (3) *Finance;*
- (4) *Algebra, geometry or a higher level of mathematics;*
- (5) *Statistics;*
- (6) *Introduction to computers, including word processing and spreadsheets; and*
- (7) *Business or real estate law.*

Sec. 13. NAC 645C.240 is hereby amended to read as follows:

645C.240 1. ~~In order to comply with the requirements of paragraph (a) of subsection 3 of NRS 645C.330, a~~ A course of instruction for an applicant for a certificate as a general appraiser must:

- (a) Consist of at least ~~180 hours of instruction;~~ *the following:*
 - (1) *Thirty hours of instruction on basic appraisal principles;*
 - (2) *Thirty hours of instruction on basic appraisal procedures;*
 - (3) *Fifteen hours of instruction on the USPAP or its equivalent;*
 - (4) *Thirty hours of instruction on residential market analysis and analysis of the highest and best use of real estate;*
 - (5) *Thirty hours of instruction on valuation of a site and cost approach for a general appraiser;*
 - (6) *Thirty hours of instruction on a sales comparison approach for a general appraiser;*
 - (7) *Sixty hours of instruction on an income approach for a general appraiser;*
 - (8) *Thirty hours of instruction on report writing and case studies for a general appraiser;*

(9) Fifteen hours of instruction on statistics, modeling and finance;

(10) Three hours of instruction on the laws of this State governing appraisals; and

(11) Thirty hours of instruction in elective courses relating to appraisals.

(b) Except as otherwise provided in subsection 2, be completed within the 5 years immediately preceding the submission of an application for a certificate . ~~;~~ ~~and~~

~~(c) Include instruction in the following subjects :~~

~~(1) Factors that influence the value of real estate;~~

~~(2) Legal considerations of appraisals;~~

~~(3) Types of value;~~

~~(4) Economic principles;~~

~~(5) The real estate market and its analysis;~~

~~(6) The process of valuation;~~

~~(7) Description of real estate;~~

~~(8) Analysis of the highest and best use of real estate;~~

~~(9) Mathematics and statistics related to appraisals;~~

~~(10) Analysis of value by sales comparison;~~

~~(11) Analysis of value by cost;~~

~~(12) Analysis of value by income;~~

~~(13) The valuation of a site;~~

~~(14) The valuation of partial interests;~~

~~(15) Standards and ethics relating to appraisals;~~

~~(16) The laws of this State governing appraisals;~~

~~— (17) The Uniform Standards of Professional Appraisal Practice adopted by reference pursuant to NAC 645C.400; and~~

~~— (18) Other subjects relating to appraisals.]~~

2. The Division may allow credit for a course of instruction set forth in subsection 1 that is completed more than 5 years before the submission of an application for a certificate as a general appraiser if the course is successfully completed at an accredited college or university.

3. An applicant for a certificate as a general appraiser must:

(a) Hold a bachelor's degree or higher from an accredited college or university; or

(b) Have earned at least 30 semester credit hours or its equivalent in the following subjects from an accredited college or university:

(1) English composition;

(2) Principles of micro economics;

(3) Principles of macro economics;

(4) Finance;

(5) Algebra, geometry or a higher level of mathematics;

(6) Statistics;

(7) Introduction to computers, including word processing and spreadsheets;

(8) Business or real estate law; and

(9) Two elective courses in accounting, geography, agricultural economics, business management or real estate.

Sec. 14. NAC 645C.243 is hereby amended to read as follows:

645C.243 1. Except as otherwise provided in subsection 3, an applicant for registration as an intern pursuant to NRS 645C.270 must include on his application evidence satisfactory to the

Division that he has successfully completed , ~~[at least 75 hours of instruction]~~ within the 5 years immediately ~~[preceeding]~~ *preceding* the submission of his application for registration as an intern ~~[in the following subjects:~~

- ~~—(a) Factors that influence the value of real estate;~~
- ~~—(b) Legal considerations of appraisals;~~
- ~~—(c) Types of value;~~
- ~~—(d) Economic principles;~~
- ~~—(e) The real estate market and an analysis of that market;~~
- ~~—(f) The process of valuation;~~
- ~~—(g) Description of real estate;~~
- ~~—(h) Analysis of the highest and best use of real estate;~~
- ~~—(i) Mathematics and statistics related to appraisals;~~
- ~~—(j) Analysis of value by sales comparison;~~
- ~~—(k) Analysis of value by cost;~~
- ~~—(l) Analysis of value by income;~~
- ~~—(m) The valuation of a site;~~
- ~~—(n) The valuation of partial interests;~~
- ~~—(o) Standards and ethics relating to appraisals;~~
- ~~—(p) The Uniform Standards of Professional Appraisal Practice adopted by reference pursuant to NAC 645C.400; and~~
- ~~—(q) Other subjects relating to appraisals.], at least:~~
 - (a) Thirty hours of instruction on basic appraisal principles;*
 - (b) Thirty hours of instruction on basic appraisal procedures;*

(c) *Fifteen hours of instruction on the USPAP or its equivalent; and*

(d) *Three hours of instruction on the laws of this State governing appraisals.*

2. An applicant for registration as an intern is not required to pass the examination for the ~~[Uniform Standards of Professional Appraisal Practice]~~ *USPAP or its equivalent* before he submits his application for registration as an intern.

3. The Division may allow credit for a course of instruction set forth in subsection 1 that is completed more than 5 years before the submission of an application for registration as an intern if the course is successfully completed at an accredited college or university.

Sec. 15. NAC 645C.300 is hereby amended to read as follows:

645C.300 1. To renew an active *registration*, license or certificate, the *intern*, licensee or holder of the certificate must ~~[provide the Division with proof that he has met the requirements for]~~ *complete at least 30 hours of* continuing education ~~[,]~~ *in courses approved by the Commission*, including, without limitation, at least 7 hours of instruction in the ~~[Uniform Standards of Professional Appraisal Practice adopted by reference pursuant to NAC 645C.400.]~~ *USPAP or its equivalent, within the 2 years immediately preceding the application for renewal.*

2. To reinstate a license or certificate which has been placed on inactive status, a person must provide the Division with proof that he has met the *following* requirements for continuing education, including, without limitation ~~[, at]~~ :

(a) *At* least 7 hours of instruction in the ~~[Uniform Standards of Professional Appraisal Practice adopted by reference pursuant to NAC 645C.400.]~~

~~—3.— A licensee or holder of a certificate may petition the Administrator for an extension of time in which to comply with the requirements for continuing education. The Administrator may~~

~~grant such an extension if he finds that the licensee or holder of the certificate has a severe hardship resulting from circumstances beyond his control which has prevented him from meeting the requirements.~~

~~—4.] USPAP or its equivalent;~~

(b) For a license or certificate that has been placed on inactive status for not more than 2 years, at least 30 hours of instruction in continuing education courses approved by the Commission; and

(c) For a license or certificate that has been placed on inactive status for more than 2 years, at least 15 hours of instruction in continuing education courses approved by the Commission for each year of inactive status, not to exceed 60 hours of instruction.

3. The 7 hours of instruction in the ~~[Uniform Standards of Professional Appraisal Practice]~~ *USPAP or its equivalent* required pursuant to this section may not be taken through distance education courses.

Sec. 16. NAC 645C.302 is hereby amended to read as follows:

645C.302 *1.* A registered intern must complete , *every 2 years*, at least 30 hours of courses in continuing education that have been approved by the Commission ~~[every 2 years]~~ as a condition of the renewal of his registration as an intern. Those courses must include, without limitation, at least 7 hours of instruction in the ~~[Uniform Standards of Professional Appraisal Practice adopted by reference pursuant to NAC 645C.400.]~~ *USPAP or its equivalent.*

2. If a registration as an intern is not renewed, the person who held the registration as an intern must apply for a new registration as an intern before acting or assuming to act as an intern.

Sec. 17. NAC 645C.305 is hereby amended to read as follows:

645C.305 1. Courses for continuing education must contain:

(a) Current information on appraisal practices which will improve the professional knowledge of the licensee or holder of a certificate and enable him to provide better service to the public.

(b) Information that pertains to pertinent state and federal laws and regulations relating to appraisals or appraisal practices.

2. The Commission considers courses in the following areas to be acceptable for continuing education:

(a) The ~~[Uniform Standards of Professional Appraisal Practice, adopted by reference pursuant to NAC 645C.400;]~~ *USPAP or its equivalent;*

(b) Legislative issues which concern the practice of appraising or licensees or holders of certificates, including, without limitation, pending and recent legislation;

(c) The administration of laws and regulations governing appraisals, including, without limitation, licensing, certification and enforcement;

(d) The relationship of the appraisal report to real estate financing;

(e) The measurement and evaluation of the market for real estate, including, without limitation, evaluations of sites, market data and studies of feasibility;

(f) The development of real property;

(g) Real estate and appraisal mathematics;

(h) Nature of value;

(i) The purpose and use of appraisals;

(j) Methods of valuation and evaluation;

(k) Income capitalization; and

(l) Construction.

3. If the sponsor agrees to comply with all other requirements of approval, the Commission will accept without specific approval any course in appraisal practices or directly related subjects if the course has been previously approved by the Commission.

Sec. 18. NAC 645C.340 is hereby amended to read as follows:

645C.340 1. Any advertising, promotional brochure or form for registration for a course for continuing education must ~~contain,~~:

(a) *Contain*, in writing, the policy of the sponsor concerning cancellation and refunds ~~;~~;
and

(b) *Not contain any misrepresentation or misleading information.*

2. All advertising must:

(a) Specify that ~~such~~ *the* course for continuing education has been approved by the Commission;

(b) Include the number of hours of credit of continuing education for which the course is approved; and

(c) Include the number assigned to the sponsor of the course by the Division.

Sec. 19. NAC 645C.345 is hereby amended to read as follows:

645C.345 1. A licensee or holder of a certificate may receive credit for continuing education if he teaches an approved course. Credit will be given only once for teaching the course. The licensee or holder of a certificate must submit proof that he taught the course during the applicable period of licensing or certification. The instructor may receive 2 hours of credit per each hour of instruction.

2. Except for a course relating to the ~~Uniform Standards of Professional Appraisal Practice adopted by reference pursuant to NAC 645C.400,~~ *USPAP or its equivalent*, a course may not be taken for credit more than once in a licensing or certification period.

3. Courses taken to satisfy requirements for the renewal or reinstatement of a license or certificate must be completed within the 2 years immediately before the latest date for renewing or reinstating the license or certificate.

4. A licensee or holder of a certificate may receive credit for continuing education only upon certification by the sponsor that the licensee or holder of a certificate has attended and completed at least 90 percent of the course.

Sec. 20. NAC 645C.400 is hereby amended to read as follows:

645C.400 1. The Commission hereby adopts by reference the *Uniform Standards of Professional Appraisal Practice* adopted by the Appraisal Standards Board of The Appraisal Foundation, ~~2004~~ *2005* edition. The *Uniform Standards of Professional Appraisal Practice* may be obtained from The Appraisal Foundation, Distribution Center, P.O. Box 381, Annapolis Junction, Maryland 20701-0381, for the price of ~~[\$40.]~~ *\$30.*

2. If the publication adopted by reference pursuant to subsection 1 is revised, the Commission will review the revision to determine its suitability for this State. If the Commission determines that the revision is not suitable for this State, the Commission will hold a public hearing to review its determination and give notice of that hearing within 30 days after the date of the publication of the revision. If, after the hearing, the Commission does not revise its determination, the Commission will give notice that the revision is not suitable for this State within 30 days after the hearing. If the Commission does not give such notice, the revision becomes part of the publication adopted by reference pursuant to subsection 1.

Sec. 21. NAC 645C.405 is hereby amended to read as follows:

645C.405 In determining whether a licensed or certified appraiser or registered intern is guilty of unprofessional conduct or professional incompetence, the Commission will consider, among other things, whether the appraiser or intern:

1. Has failed to prepare an appraisal in compliance with the ~~[Uniform Standards of Professional Appraisal Practice adopted by reference pursuant to NAC 645C.400;]~~ *USPAP or its equivalent;*
2. Has done his utmost to protect the public against fraud, misrepresentation or unethical practices related to real estate or appraisals;
3. Has ascertained all pertinent facts that may be reasonably ascertained concerning any property for which he prepares an appraisal;
4. Has attempted to make an appraisal of any property outside of his field of experience or competence without the assistance of a qualified authority, unless the facts of his lack of experience or competence are fully disclosed in writing to his client;
5. Has adequately documented any required disclosures of his interest in any property with which he is dealing;
6. Has kept informed of current statutes and regulations governing appraisals, real estate, time shares and related fields in which he provides appraisal services;
7. Properly applies federal and state laws governing the protection of customers; and
8. Has acquired knowledge of all material facts that are reasonably ascertainable and are of customary or express concern and has conveyed that knowledge to his client.

Sec. 22. NAC 645C.475 is hereby amended to read as follows:

645C.475 **1.** Any person may by petition request the Commission to adopt, file, amend or repeal a regulation. The petition must ~~[clearly identify in writing the change requested]~~ **include:**

(a) The name and address of the petitioner;

(b) A clear and concise statement, including the proposed language of the regulation to be adopted, filed, amended or repealed, if applicable;

(c) The reason for the petition; and

(d) The statutory authority for the adoption, filing, amendment or repeal of the regulation .

~~[and must contain all relevant data, views and arguments regarding the change.]~~

2. The Commission may refuse to act upon a petition for the adoption, filing, amendment or repeal of a regulation if the petition does not contain the information required by subsection 1.

3. The Commission will review the petition at the next feasible scheduled meeting following receipt of the petition.

4. The Commission will notify the petitioner in writing of its decision with regard to the petition within 30 days after the petition is considered by the Commission.

Sec. 23. NAC 645C.600 is hereby amended to read as follows:

645C.600 **1.** The Commission may establish an advisory committee to assist the Commission with any matter that the Commission determines to be appropriate for submission to an advisory committee.

2. The Administrator may establish an advisory committee to assist the Administrator in the review of a matter that is the subject of an investigation conducted pursuant to NAC 645C.480 if the appraiser who is the subject of the investigation agrees to participate in an informal review of the matter with the advisory committee.

3. The Commission will create and maintain a list of persons who are approved by the Commission to serve on an advisory committee. A person approved to serve on an advisory committee must meet the qualifications for appointment to the Commission set forth in subsection 1 of NRS 645C.190.

4. If the Administrator or the Commission determines that an advisory committee should be formed, the Administrator shall appoint three persons to serve on the advisory committee from the list of persons approved by the Commission to serve on the advisory committee. At least one of the persons appointed must be a current or former member of the Commission. The Administrator shall appoint one member of the advisory committee who is a current or former member of the Commission to serve as chairman of the advisory committee.

5. A member of an advisory committee:

(a) Serves at the pleasure of the Commission and without compensation;

(b) Shall abstain from participating in any proceeding in which he would be prohibited from participating if he were a member of the Commission; and

(c) Shall not testify before the Commission on any substantive matter relating to an informal conference in which he has participated.

6. Each member of an advisory committee is entitled to receive a per diem allowance and travel expenses as provided for state officers and employees generally for the period during which the member was engaged in the discharge of his official duties.

7. The Commission will grant 4 hours of credit for continuing education to a member of an advisory committee for each informal conference on which he serves, not to exceed a total of 8 hours for each period of licensing or certification.

Sec. 24. 1. This section and sections 1, 2, 3, 5 to 10, inclusive, and 15 to 23, inclusive, of this regulation become effective upon filing with the Secretary of State.

2. Sections 4 and 11 to 14, inclusive, of this regulation become effective on January 1, 2008.